

The ORIENTAL ECONOMIST

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No. 566

27th Diet Session

Small Enterprise Law

National Assets Accounts

2nd-Half Corporate Results

Communist Party's New Policy

Importance of Freedom of Speech

Reparation and Economic Cooperation

Wholesale-Retail Business Growth

Japan Monopoly Corporation

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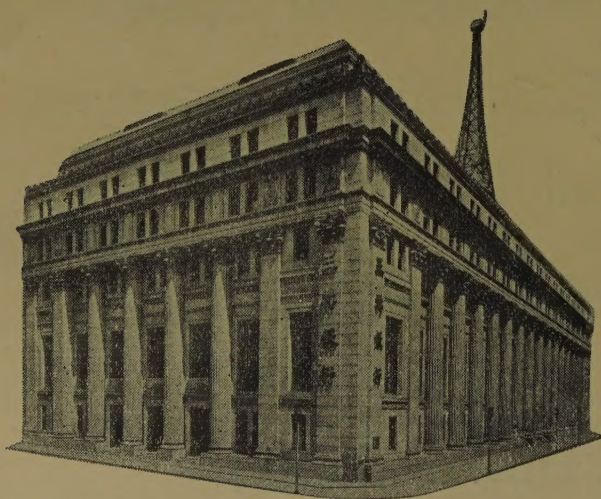
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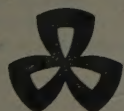
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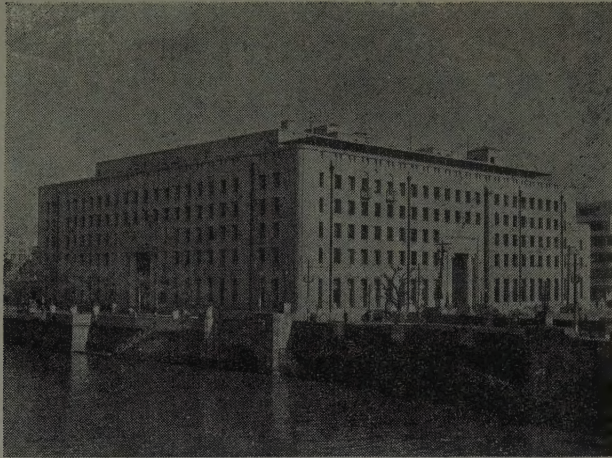
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Review of the Month

THE 27th extraordinary session of the National Diet closed on November 14 its two-week session (including a two-day extension) started on November 1, after having approved the two major bills submitted for its deliberation, the Small Enterprise Protection Bill and the Supplementary Budget Bill, in their original forms. Diet deliberations were also focussed upon other major problems pertaining to the nation's diplomacy, defense and economy, but nothing particularly fresh or noteworthy marked Government clarifications, as they failed to touch upon any future policies. For instance, the answers made by Government leaders to the Socialist interpellations regarding the Government defense policy in the present "missile age" lacked anything specifically new. Socialist interpellators pointed out that the military power of the Soviet Union has increased markedly by virtue of the repeated successes of its Sputnik and ICBM ventures, leaving the United States behind, that the United States on its part is attempting to re-inforce its advance bases by leasing atomic weapons and missiles to its allies and that there is every fear that Japan, under the obligation of mutual defense agreements with the United States, may be converted into an American missile base through the introduction of atomic weapons. The Socialists continued now that the Japanese defense force, equipped with outdated weapons, has become entirely powerless in these days of the "missile age," Japan should take an entirely neutral policy.

*PARTY LINEUP AT 27TH DIET SESSION

House of Representatives:	House of Councillors:
Liberal-Democrats 294	Liberal-Democrats 129
Socialists 157	Socialists 80
**Minor parties 3	Ryokufukai 27
Vacancies 13	Independent Club 8
Total 467	Independents 3
	Communists 2
	Vacancies 1
	Total 250

* As of November 1. ** Including two Communists.

In reply, Government leaders stated that the superiority of the Soviet military power is only temporary in nature and that the existing gap will be eventually minimized before long. They also asserted that the Government will oppose the introduction of American missiles as well as atomic weapons into Japan to the last and that the present armaments of the Japanese defense force are still dependably powerful, adding that neutralism does not necessarily mean total security. In connection with economic problems, Socialist interpellations held the Government responsible for the adverse repercussions resulting from a sudden about-

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face of the national economic policy started with the elevation of the official discount rate by the Bank of Japan in May. Exchanges between Socialist interpellators and Government leaders over the economic issues, however, were not particularly heated, as the current Cabinet has little direct responsibility for the so-called positive policy and the improvement of the balance of international accounts, the chief aim of the tight-money policy, has been in fair progress. Other principal problems taken up at the 27th Diet session also included the Japanese policy at the United Nations, the fingerprinting problem related with the signing of the second Sino-Japanese trade agreement and the Anti-Prostitution Law scandal, but the Administration-Opposition encounters were comparatively dull over those issues. The reason of the apparent lack of enthusiasm over those issues was that the 27th Diet session was convened particularly in order to debate and approve the supplementary budget and the Small Enterprise Protection Bill and even the Opposition Socialists were not in the position to oppose these two bills at least in principle. Thus, there was not a specific ground for a decisive confrontation between the Administration and the Government. With the 27th extraordinary Diet session over, Prime Minister Nobusuke Kishi on November 18 left Tokyo on a 21-day tour to visit the capitals of nine major countries in Southeast Asia. Salient points of the supplementary budget for fiscal 1957, as approved at the Diet, were as follows: 1) General Account—A government guarantee for a dollar debt equivalent to ¥27,000 million in Japanese currency resulting from loans for Japanese highway, iron-steel and power industries from the World Bank; 2) Special Accounts—The elevation of the contract limit for export bill insurance from ¥8,000 million to ¥16,000 million; 3) Government agencies—The elevation of the frame of loans from the Trust Funds Bureau to the People's Finance Corporation from ¥20,000 million to ¥27,000 million; The elevation of the limit of loans from the Trust Funds Bureau to the Small Business Finance Corporation from ¥20,000 million to ¥30,000 million.

As expected, the Small Enterprises Protection Bill had rough sledding at the 27th extraordinary Diet session because of the demand by Socialist members of the House of Councillors for the total

SMALL BUSINESS BILL

deletion of a clause compelling outsiders to enter guilds of small businessmen. In order to reach a compromise with Socialist Councillors, therefore, the Government had to extend the Diet session for two days. The Small Enterprises Protection Bill, a major apple of discord between the Administration Liberal-Democrats and the Opposition Socialists at the 26th Diet session, was approved in the House of Representatives at that session after a joint amendment by the two parties, but was pigeon-holed in the House of Councillors for further deliberation at the 27th extraordinary session. The controversy over the Small Enterprises Protection Bill, which aims at safeguarding smaller businessmen, emanated from a stiff opposition to some of its clauses by larger enterprises and consumers whose interests naturally conflict with those of smaller enterprisers. This confrontation not only existed between the Administration Party and the Opposition but also

among Liberal-Democrats and Socialists themselves. It was due to this division among its members that the Socialist Party as the Opposition approved the bill in the Lower House but opposed it in the Upper House. The bill is so drafted as to enable smaller enterprises to organize cartels controlling production, equipments, sales and prices through the formation of trade guilds in order to prevent their overall collapses by excessive competition in time of depression. Under the provisions of the bill, the competent Ministry is empowered to compulsorily demand the participation of outsiders in such guilds whenever necessary (although such outsiders may not join the guilds through the validation of the competent Ministry, subject to the observance of control regulations set by such commercial or industrial guilds) and such small business guilds are legally privileged to bargain collectively with larger enterprises. The advent of depression is the prerequisite for the creation of such business guilds provided for in this bill, and the recognition of conditions justifying the advent of depression is made by the Ministry of International Trade and Industry and referred to the Small Business Stabilization Council. It may thus be seen that the bill is so designed as to systematize small enterprises for the elevation of their economic status. In the actual application of various clauses of the bill, however, many knotty problems are bound to appear, particularly as it is extremely difficult to gauge and judge the advent of a boom or a depression in small enterprises engaged in many and various occupations. A price agreement, also provided for under the bill, is also bound to take a long time as it should be formally approved after exhaustive studies by the Small Business Stabilization Council, the Fair Trade Commission and the competent Ministry. Hence, commercial or industrial guilds provided for in the bill may not be organized at random, and no price agreement is likely to be concluded easily and frequently among domestic industries. The right of collective bargaining with larger industries is also conditioned only by the recognized advent of a depression. Small businesses on their part will not be able to take decisive attitudes in the use of this right in view of their relations with larger enterprises as sub-contract mills or with department stores because of their connections as purveyors. The definition of small enterprises under the one and same category is also difficult, as the bill defines small businesses as enterprises employing less than 300 workers in mining, manufacturing and transportation branches and workshops with less than 30 employees in commerce and service professions. In many cases, such commercial or industrial guilds are likely to be managed under the aegis of larger industrialists or traders. Hence, their claims are bound to be neglected. In these circumstances, the Small Enterprises Protection Bill is not taken as a panacea for petty enterprisers, as it is operable only to serve as a preventive measure against excessive competition in time of depression. With the depression period gone, such guilds have to be disbanded. For all these deterrents, however, the birth of the bill as a stabilizing machinery for the systematization of small enterprises cannot be undervalued.

JAPANESE business is noted to be taking a breather, at least as far as business results of key commercial and industrial corporations settling their half-year terms in September this year on the basis of

2ND-HALF CORPORATE RESULTS

The Oriental Economist's survey were concerned.

The present report covering 343 companies listed with the Tokyo Securities Exchange and representing some 60 percent of the total number of major corporations with their shares transacted through the T.S.E. serves as an accurate barometer of the trend of Japanese corporations during the half year ended September. For the reason that the Government's new tight-money policy was inaugurated in May, this year, just one month after the term under review started in April, the survey is taken to present an interesting picture of the effects of the resultant deflationary impact on corporate results. The majority of companies which settled their accounts for the six months ended September reported larger sales and fatter profits as compared with those in the preceding half-year term, but the increasing rates are noted to have considerably slackened under the impact of deflationary permeation. The average sales profit rate as well as the average profit ratio of paid-in capital declined for the first time since the September term in 1955, the average dividend rate also sagged due to the burden of capital expansion or less favorable business showings. The profit picture was varied according to different industries. Larger sales and better profits were reported by machinery (including electric machines), ceramics (including cement), shipbuilding, coal, automobile, flour, warehousing and iron-steel, and pulp, textiles, non-ferrous metals, mining, commerce, chemicals, sugar, fertilizers (calcium cyanamide excepted) and petroleum cut poorer figures, while other industries continued more or less unchanged. General consensus now is that the results are bound to become more discouraging for the present term to end in March, 1958, as the sales are likely to dwindle and profits to taper. Among the industries apparently destined to worsen in the current term are shipping, commerce, pulp, paper, iron and steel, non-ferrous metals and petroleum, and equally lethargic will be automobile and textiles. Such disparity is certain to become wider and clearer during the current term.

A "political report" published by the Japan Communist Party on November 6 is worthy of close note as clarifying the future policy of Japanese Communists. In this report, the Japan Communist Party

COMMUNIST PARTY'S NEW POLICY

made a self-reflection on the errors in party activities in the past 10 years such as the conflict between the "orthodox" faction and the "international" faction in 1950 and the turn to ultra-leftist ventures starting with the so-called "bottle grenade" incident which followed, and reiterated the justifiability of the assignments of the Party from the new standpoint that a revolution by peaceful means is possible. The report stated that the Party would propel its future activities without committing past errors again and on the basis of a democratic collective leadership based on correct organization principles. The report, together with the draft Party

charter, is due to be submitted to the seventh national convention of the Japan Communist Party to be held in February, 1958 for the first time in these 10 years. Noteworthy in this report are the stress placed on the importance of unified action with the Socialist Party, the acquisition of more seats in the Diet as a direct target of the party struggle and, above all, the severe accusation directed to the late Kyuichi Tokuda, former secretary-general of the Japan Communist Party, who died in Peking on October 14, 1953. In stressing the greater need of a united front with the Socialist Party, the report said that the Japanese Socialists have been heading for the peaceful coexistence of the West and the East on the basis of policies and struggle aims well consistent with those of the Communists. It added that, in these circumstances, it is possible to establish a united front with the Socialists if the Communists are ready to make positive efforts to act in unison with them in their approaches to the masses, adding that the creation of a Socialist-Communist coalition cabinet will be eventually possible. The Communist report also stated that the Communists should strive to utilize the Diet for the benefit of the Japanese people, although in the past they made use of the Diet for agitation and exposure. To that end, it continued, the Party should make the best of endeavors to send more men to the Diet through constant preparations for the election in its daily struggles. The indictment thrown against the former boss Tokuda in the report was one of the most decisive steps ever taken by the Japan Communist Party. It accused Tokuda of the unpardonable crime of fostering the personality cult and of indulging in a "head-of-the-family-like leadership" in his highly responsible position as secretary-general and organizer of the Party. The report accused Tokuda of using roughshod measures in controlling the Party, thus crippling the democratic management of Party activities. This tendency, the report added, became intolerably notable over the criticism of a "revolution through peaceful measures" principle advocated by Sanzo Nozaka in January, 1950, eventually leading to the split of the Party between the "orthodox" faction and the "international" faction. The Public Security Investigation Agency, in its report commenting on the new policy of the Japan Communist Party on November 7, said that a "revolution by force" formula marks the basic character of the Japan Communist Party. Commenting on the assertion in the draft Party charter that a revolution through peaceful means is "historically and theoretically possible and not merely ideally feasible," the P.S.I.A. report said that the Japan Communist Party still adheres to the justifiability and inevitability of a "revolution through violence" formula as the Communist report, in final analysis, holds that a revolution either through peaceful means or by violence is to be determined "on the basis of the eventual attitude of anti-revolution elements." The P.S.I.A. report estimates the present membership of the Japan Communist Party at about 45,000 strong and concludes that the control of the Party has now moved from the hands of Sanzo Nozaka and other leaders of the "orthodox" faction into the helm of the "international" faction led by Kenji Miyamoto.

Business Indicators

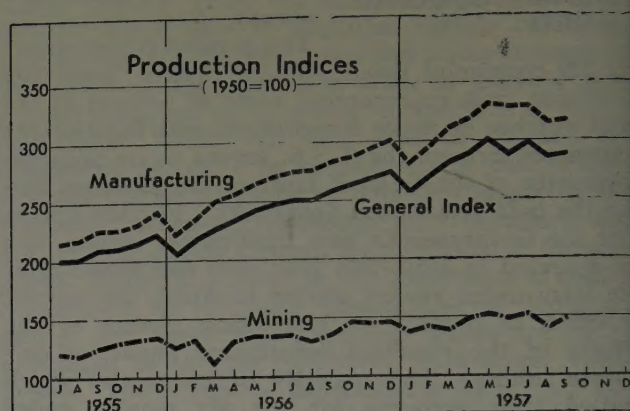
Production:—In reaction to a 4.2% recession in August, industrial production (mining and manufacturing inclusive) in September increased 0.7%. On the list of September gainers, leathers, mining, ceramics and rubber goods led the march. Textiles also registered a 2.1% hike despite production cuts which affected some chemical fibres, as fabrics and secondary products continued to fair well. On the other hand, paper & pulp and chemicals made comfortable slips while iron and steel products kept on receding under the impact of production curtailment programs affecting some major items. With such ups and downs comparatively well offsetting one another, however, production as a whole picked up 0.7% in September over August and still continued to stand 11.6% higher than the like month a year ago. Meanwhile, the average production index for the first half of fiscal 1957 (April to September) marked a sharp gain of 18.7% over the index in the comparable period in 1956. If, therefore, the Government is desirous of fixing the production increase in fiscal 1957 at a point not more than 8.0% up over the preceding fiscal year, it will be compelled to lower the average production level in the second half by some 10.0% from the first-half level. Otherwise, existing stocks of raw and processed raw materials are bound to become exhausted sooner or later, presumably towards the close of the current fiscal year (ended March, 1958), and the imports, now more or less successfully curbed, may begin to swell again. How, then, are the recent transitions of consumer demands and inventories, the two major determining factors for the course of production?

1. AUGUST PRODUCTION INDICES
(1950=100)

	Aug., 1957	Sept., 1957	Against Aug., 1957	Against Sept., 1956
Mining-Manufacturing	286.3	288.2	100.7	111.6
Mining	140.6	148.3	105.5	109.4
Manufacturing	316.3	317.0	100.2	111.2
Iron & Steel	270.1	268.5	99.4	112.0
Non-Ferrous Metals	219.9	223.7	101.7	108.5
Machinery	417.1	418.7	100.4	131.7
Steel Ships	725.4	725.4	100.0	105.6
Rolling Stocks	238.0	238.0	100.0	128.8
Textiles	341.0	348.1	102.1	107.8
Paper & Pulp	339.4	324.4	95.6	110.1
Chemicals	290.7	283.7	97.6	110.6
Pharmaceuticals	931.7	931.7	100.0	135.9
Oil Products	572.1	576.7	100.8	115.7
Ceramics	248.5	258.0	103.8	112.1
Rubber Goods	214.3	221.5	103.4	110.4
Leather Goods	278.5	300.6	107.9	103.8
Daily Necessaries	239.2	236.7	99.0	97.5
Lumber	186.2	186.2	100.0	105.3
Foodstuffs	221.1	222.3	100.5	113.7
Tobacco	160.1	144.3	90.1	98.5

Source: MITI.

Consumer Demand:—Equipment investments have been steadily dwindling under the increasing impact of tight-money repercussions, although industrial



circles have been continuously desirous of getting new machinery and old facilities rejuvenated. For instance, orders for machinery received by manufacturers during August dropped to ¥35,800 million, or less than half the July receipts. Of this total, those from private industries (exclusive of shipping) amounted to ¥18,200 million in September, or some 60% less than the January-March average. Compared with equipment investments, however, consumer demand has continued generally favorable. Department store sales throughout the country in August this year were 23% larger than a year ago, although this gain did not equal the 25% increase registered in August, 1956 over the comparable month a year before. A similar trend marked the sales by department stores in the Tokyo area in September which marked a gain of 15.2% over a year ago, as compared with a 22.1% increase registered in September, 1956 over a year before. Preliminary reports indicated that the sales of some of Tokyo department stores in October were smaller than a year ago. The rising tempo of export trade, an indicator of overseas demand, also has begun to slacken. In view of these latest developments, it is considered highly problematic whether production may in the future be maintained at the present high plane without inviting some unwelcome repercussions.

2. DEPARTMENT STORE SALES

	1955		1956	
	¥100 million	Indices (A year ago as 100)	¥100 million	Indices (A year ago as 100)
January	145.8	113.6	172.3	118.2
February	145.3	120.4	176.0	121.1
March	203.1	117.2	260.0	127.9
April	196.2	118.0	239.0	121.8
May	176.2	119.2	212.0	120.2
June	181.1	123.1	222.3	122.8
July	236.9	112.6	297.2	133.7
August	178.2	125.1	218.7	122.8

Source: Compiled by The Oriental Economist from MITI figures.

Inventories:—Mounting inventories of finished goods in the hands of manufacturers have brought about an additional impact to force down production.

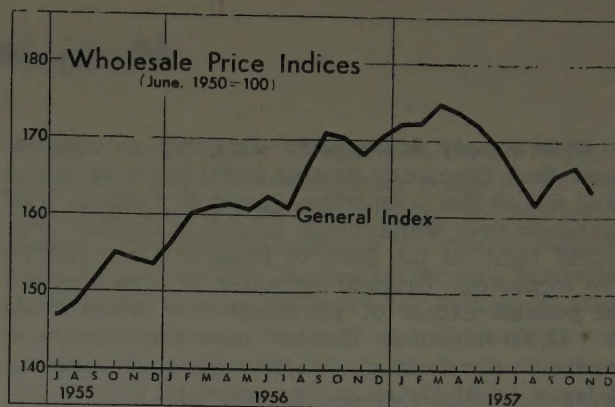
For example, manufacturers' inventories as of the end of September, this year were 55.7% larger than a year ago. Stocks in September particularly bulged for non-ferrous metals, machinery and paper & pulp which swelled by as much as 84.0-87.0% over the comparable stocks in 1956. Also up were the inventories of textiles (up 72.0% over a year before), rubber goods (up 61.0%), petroleum and coal products (up 60.0%) and iron & steel products (up 51.0%). Far less noteworthy was the hike of inventories held by merchants, as the September-end balance stood only 15.0% larger than a year ago, principally because of the growing caution on their part in restocking operations due to the money shortage and the poor business outlook. The movement of raw and processed raw materials also bespeaks of the need of dwarfing production. Month-end inventories of raw and processed materials as of September were only 37.0% larger than a year ago, far less than the like balance of inventories several months ago when they used to stand more than 60.0% higher than a year before. It is thus plain that the existing inventories of raw and processed materials have been steadily exhausted as the imports have been positively squeezed while production has been kept at a high level. If, therefore, the present pace of production continues unabated in the future, raw and processed materials inventories are bound to dwindle and imports will inevitably begin to increase again. To prevent such a new development, money will be further tightened.

3. INDICES OF MANUFACTURERS' INVENTORIES (1950 average=100)

	March, 1957	Sept., 1957	Against March, 1957	Against Sept., 1956
Mining-Manufacturing	143.0	209.1	146.2	155.7
Mining	49.8	48.9	98.2	92.3
Manufacturing	154.9	229.4	148.1	158.8
Iron & Steel	164.0	238.9	145.7	151.1
Non-ferrous Metals	87.0	142.8	164.1	186.9
Machinery	177.9	254.8	143.2	185.0
Textiles	140.4	197.4	140.6	172.1
Paper, Pulp	204.5	444.0	217.1	183.9
Chemicals	243.2	357.3	146.9	130.7
Petroleum, Coal Products ..	157.5	274.2	174.1	159.8
Ceramics	121.6	164.6	135.4	117.9
Rubber Goods	210.5	286.6	136.2	163.9
Hides, Leathers	105.3	143.0	135.8	110.2
Others	105.5	139.1	131.8	152.0

Source: MITI.

Prices:—The permeation of tight-money repercussions against the background of possible overproduction, the wholesale prices dived 7.4% during the period from April through August. The reactionary upsurge from early September, however, forced the average index to climb 3.0% by late October, chiefly because of the march of food prices due to the advent of the off-crop season. With inventories of finished products in the hands of manufacturers increasing at a speedy tempo, however, experts predicted that the prices would not continue rising without a break, and their prediction proved true. As the delivery season set in for many supplementary food items and the sales of iron, steel and non-ferrous metals continued to remain low due to the inactivity of equipment investments,



the prices hit the ceiling in late October and began to slip from early November. It is probable that the wholesale prices will continue soft under the impact of swelling inventories, and the sagging tempo will be accentuated in the first three months of 1958 as money is certain to become tighter during the last quarter of fiscal 1957.

4. WHOLESALE PRICE INDICES (June, 1950=100)

	Oct. 1957	Against March, 1957	Against August, 1957	Against Oct., 1957
Total Average	166.6	95.4	103.0	97.9
Foodstuffs	160.5	97.4	105.2	108.4
Textiles	86.4	96.9	103.3	94.6
Fuels	182.3	104.6	100.8	108.8
Metals	252.0	82.0	108.0	76.3
Machinery	197.0	98.2	99.7	103.8
Building Materials	253.1	101.8	100.4	110.5
Chemicals	107.1	98.3	99.7	100.8
Sundries	138.5	100.7	99.1	103.8
Producer Goods	176.7	94.6	102.6	94.3
Consumer Goods	148.7	97.3	104.1	106.5
Investment Goods	248.9	90.0	104.2	89.1

Note: As of mid-month.

Source: Economic Planning Board.

Living Cost:—The fluctuation of consumer prices has been less wide-ranged than the movement of wholesale prices as the former's reaction to the tide of business is generally slower. As of September, the consumer price index was 4.3% higher than a year ago, although it was 0.2% lower than the October equivalent apparently under the pressure of weakening wholesale prices. No swift and notable slip of consumer prices, however, are likely, as major components of the consumer price index (such as housing and food expenses) are bound to remain stiff. Without a particularly heavy collapse of wholesale prices, therefore, consumer prices are destined to continue strong for some time.

5. TOKYO CONSUMER PRICE INDICES (1951=100)

	Aug., 1957	Sept., 1957	Against Aug., 1957	Against Sept., 1956
Total Average	122.5	122.2	99.8	104.3
Foodstuffs	118.2	117.4	99.3	105.4
Staple	127.0	125.7	99.0	103.8
Non-staple	113.5	113.0	99.6	106.3
Clothing	83.3	84.8	101.8	102.5
Light-Fuel	146.6	147.5	100.6	107.0
Housing	152.5	152.6	100.1	105.3
Miscellaneous	145.2	145.0	99.9	102.0

Source: Bureau of Statistics, Prime Minister's Office.

Money and Banking

Fund Supply & Demand:—Contrary to expectations that the money market might begin to ease a little due to the prospective excess of financial fund payments over withdrawals, money in October continued tight as the Bank of Japan retained restrictive measures. Original estimates by experts placed the possible excess of payments over withdrawals at ¥43,000 million in October with the note issue expansion due to reach ¥15,000 million and the Bank of Japan credit shrinkage to amount to ¥28,000 million. Actually, however, the payment excess of financial funds in October reached some ¥52,900 million and the increase in note issue was restricted to ¥11,200 million while the Bank of Japan credit dwindled by as much as ¥41,700 million. The unexpectedly bulky payment excess was chiefly due to new transitions in the foreign exchange special account and the food control account. The foreign exchange account, originally expected to register a withdrawal excess of some ¥7,000 million, recorded a ¥5,700 million overpayment as receipts for export ships proved bulky with the result that the foreign exchange balance recorded the receipt excess of some \$26 million. The food control account also registered a payment excess of ¥56,000 million, well over the original estimate of ¥48,000 million, as quota rice deliveries to the Government progressed with unexpected smoothness on the strength of another bumper crop under favorable weather conditions. Meanwhile, the Trust Funds Bureau of the Ministry of Finance during October sold ¥20,000 million worth of banking bonds in open market operations.

The Bank of Japan note issue increased some ¥11,200 million during October with the month-end balance boosted to ¥664,700 million, some ¥53,600 million (or 8.8%) larger than the comparable balance a year ago. The average balance during October also stood at ¥620,800 million, marking a hike of ¥47,700 million or 8.3% over the equivalent average a year before. In view of the fact that the month-end and monthly average balances for September stood at 9.0% and 8.8% larger than the comparable balances a year ago, it may be noted that the issue level made a further shrinkage in October.

B. J. Loans:—With the payment excess bulging to ¥52,900 million despite the ¥20,000 million sales of banking bonds by the Trust Funds Bureau and the note issue increase (the gain in demand for cash) restricted to only ¥11,200 million, the money market must have grown easier. Actual developments, however, were far from general expectations. Due to bulky releases of idle funds to the call market by provincial banks and the Central Cooperative Bank for Agriculture and Forestry during the month, the October-end balance of call loans made a sharp increase to ¥116,000 million and the call rate accordingly was lowered to 3.0 *sen* per diem from the agreed maximum rate of 3.5 *sen*. For all these transitions of the call market, however, access of funds by city banks did not become particularly easier. Responsible for the situation was the adherence to tight-money measures by the Bank of Japan. The Bank of Japan at a conference of its local branch chiefs held on October 7 through 9 reiterated its policy to take all available measures to continue to hold money tight, depending on the possible future developments. Afraid that city banks might increase

supplies of loans on the spur of the easing of the money market, the Bank of Japan got ready to tighten its purse and started a more positive drive to re-collect its loans from city banks. In these circumstances, city banks were compelled to endeavor to return their borrowings from the Bank of Japan for fear that any increase in their lendings to clients might boomerang in the form of the shrinkage of their borrowing frames from the central bank. With the tight-money policy thus reconfirmed, the Bank of Japan during October withdrew idle funds amounting to some ¥10,000 million from the Central Cooperative Bank for Agriculture and Forestry through the release of bills. As a result, the Bank of Japan loans to city banks shrank by some ¥28,000 million during the month and its credit dwindled ¥41,700 million including the ¥10,000 million sales of bills to the Central Cooperative Bank for Agriculture and Forestry.

Bank Loans Squeezed:—The increase in loans extended by all banks during October amounted to ¥19,200 million, far smaller than the comparable gains of ¥68,800 million and ¥147,200 million, respectively, in August and September. This trend, however, was not particularly abnormal, as the demand for funds would usually register a seasonal decrease in October. In October, 1956, for instance, the increase of bank lendings amounted to only ¥2,000 million. On the other hand, real deposits received by all banks during October increased ¥10,600 million, or about half the increase of loans for the same month.

Meanwhile, the Ministry of Finance on October 2 issued a warning to all banks throughout the country in the form of a special notice by the Director of its Banking Bureau. In this notice, the Ministry of Finance urged all banks to try to "normalize" their operations based principally on the abolition of the state of overloans on the understanding that the lending competitions by banks have been stimulating active equipment investments and in turn proving a cardinal cause of the worsening of the balance of international accounts. In this notice the Ministry of Finance asked all banks to restrict the amount of loans extended to within 80% of the amount of deposits and to try to promote the liquidity of assets through the curbing of long-term loans for equipment funds.

MONEY IN OCTOBER
(In ¥100 million)

	October, 1957	October, 1956
1. Financial funds	529	333
2. Short-term bonds redeemed	0	△ 14
3. Bank of Japan Account:		
Loans	△ 287	△ 156
(Loan balance)	(5,343)	(757)
Short-term bonds	12	△ 7
Long-term bonds	15	△ 47
Private deposits	18	6
Others	△ 175	1
Total	△ 417	△ 203
4. Note issue increase	112	116
5. Note issue balance	6,547	6,111
6. Increase of all-banks loans	192	20
7. Increase of all-banks real deposits ..	106	△ 103

Note: △ Decrease.

Source: Compiled from figures from Finance Ministry and Bank of Japan.

Stock Market

Below ¥500 :—With the October 3 rally as the peak, the Tokyo stock market began to slip and continued lethargic into November. According to a survey by the Tokyo Securities Exchange, the Dow-Jones average of 225 industrials listed at the Exchange started November at a comparatively high point (¥517.38 on November 2), but slipped sharply to ¥499.43 on November 14, thus diving below the ¥500 mark again. The average for the first two weeks of November (1st to 14th) stood at ¥511.05, the lowest of all monthly averages so far this year. As the market remained dull, the volume of daily turnovers continued decreasing with the daily average for the first two weeks standing at 14,585,000 shares, far below the past low this year of 17,772,000 shares in May. The recent market trend is somewhat different from the transition in the comparable period in 1956. The stock market grew lethargic in the summer of 1956 but began to stiffen towards October and continued strong throughout November with share prices kept high towards the close of the autumn. This year, the market rallied somewhat in August through September, but started to dive from early October to betray the general expectations for an "autumn high."

Company Results :—The announcement by the U.S. Federal Reserve Board on November 15 of a cut in discount rates at Federal Reserve Banks in New York, Atlanta, Richmond (Va.) and St. Louis was generally expected in financial circles here to have a favorable effect on the Japanese economy as the new American policy towards easier money would normalize American business now apparently taking a breather. The stock market here, however, remained quite immune to the news, and continued dull. The continued weakness of the stock market is not attributable to the advent of any new dampers, but is due to the steady permeation of the impact of

the tight money policy in operation by the Government since May. The deflationary policy of the Government, however, has been helping the balance of Japan's international accounts to improve steadily. The share price rally in August through September came in the wake of the improving balance of international payments, plus the prospective bumper crop of rice. The summer recovery, however, was short-lived, as the progress of deflationary repercussions has gradually begun to affect distribution and production. One of the tangible developments in this connection was the poor showing of business and industrial companies as noted in their results for the half-year term settled in September. According to the latest survey by The Nippon Keizai Shimbun of the results of 160 key companies (of the total of 343 firms listed with the Tokyo Securities Exchange) which settled the half-year terms in September, the sales registered a gain of 8.0% over the preceding term on the strength of fair business in the earlier part of the term. This increasing rate, however, was far lower than the comparable hike registered in the preceding term. The profit rate against the average paid-up capital stood at 40.0% as compared with 44.0% in the preceding term. For the term ended September, 17 companies increased dividends and five revived them while 49 companies curtailed dividends and 12 firms passed them—a poor comparison with the preceding term when 76 companies either boosted or revived dividends and 42 companies reduced or passed them. Classified by industry, non-ferrous metals, pulp, textiles, paper, petroleum, iron and steel, commerce and banking reported smaller profits for the term under review. Larger profits were reported by shipping, machinery, electric machines, shipbuilding and rolling stock, but the gaining rates were smaller than in the preceding term. Only coal, foodstuffs, marine products and ceramics reported higher profit increases than a term ago. According to present indications, the corporate results for the half-year term ended March, 1958 are expected to be worse. Hence, no early recovery of stock quotations is to be expected in the near future.

1. AVERAGE SHARE PRICES AND DAILY TURNOVERS

	Share Price (Yen)			Average Daily Turnovers (1,000 shares)
	High	Low	Average	
1957: January	586.01	549.41	572.80	39,771
February	587.88	592.91	573.99	30,390
March	587.00	570.27	567.73	27,692
April.....	593.47	581.33	587.55	31,920
May	595.46	554.71	547.58	29,806
June	582.72	517.01	524.73	17,772
July	515.86	472.43	495.89	18,048
August	530.54	488.57	511.93	21,594
September	539.57	523.13	532.32	20,425
October	539.59	506.03	517.76	22,772
November (1-14) ..	517.38	499.43	511.05	14,585

Leaders Down :—As shown in Table 2, the average quotation of the 225 industrials listed with the Tokyo Securities Exchange as of November 14 was 7.44% lower than the comparable average as of October 3 which registered a recent high. Noteworthy is the fact among the major losers were included some star industrials such as precision machines (down 16.89%), mining (down 11.91%), machinery (down 11.32%), transportation machinery (down 10.98%) and primary metals (down 9.05%). Equally marked were the declines of glass, clay and stone products (down 9.075%), textiles (down 9.64%), chemi-

Source: Compiled by The Oriental Economist for all the tables.

2. PRICE TRANSITIONS OF 225 PIVOTALS

	Oct. 3 (Yen)	Sept. 14 (Yen)	Rise (Yen)	%
Average of 225 Pivotal.....	539.59	499.43	40.16	7.44
Fisheries	157.14	147.37	9.77	6.22
Mining.....	381.43	336.00	45.43	11.91
Foodstuffs	1,030.48	976.37	54.11	5.25
Textiles	566.62	511.96	54.66	9.64
Paper, Pulp	643.23	594.27	48.96	7.61
Chemicals	322.84	293.65	29.19	9.04
Petroleum, Coal Products ...	1,400.00	1,332.08	67.92	4.85
Glass, Clay, Stone Products ..	1,071.59	967.61	104.53	9.75
Primary Metals	172.70	157.06	15.64	9.05
Machinery	280.97	249.15	31.82	11.32
Electric Machines, Tools ...	320.65	313.87	6.78	2.11
Transportation Machinery ...	292.77	260.60	32.17	10.98
Precision Machines	446.15	370.77	75.38	16.89
Other Manufactures	490.07	448.01	42.06	8.58
Commerce	914.29	854.29	60.00	6.56
Banking, Insurance	574.15	562.59	51.56	8.98
Real Estate.....	1,357.88	1,270.46	87.42	6.43
Land Transportation.....	352.01	344.75	7.26	2.06
Ocean Shipping.....	179.27	172.76	6.51	3.63
Warehousing	850.00	795.00	55.00	6.47
Electricity, Gas.....	195.97	191.81	4.16	2.12
Service Professions	295.97	299.79	(+) 3.82	(+) 1.29

cals (down 9.04%), banking & insurance (down 8.98%); and other manufacturing (down 8.58%). Service professions was the only gainer, although on a small scale. In the soft market, large securities merchants made active selective buying directed chiefly towards comparatively stable items like heavy electric machinery, shipbuilding, petroleum and chemicals apparently for investment trust operations. Also subject to selective buying were the stocks of companies affiliated with missiles.

Dullness to Continue:—The market lethargy is likely to continue for some time, although the average yield in prospect at the current price levels stand at about 9%, somewhat higher than the general level of money rates. With the average yield at the current level, therefore, no further slip of share prices is expected, as the Dow Jones average, which dived below the ¥500 mark on November 14 quickly rose above that level on November 15 and stood at ¥501.49 as of November 18. It is also likely that the "Big 4" securities merchants (Nomura, Yama-ichi, Nikko and Daiwa) will take to selective buying in investment trust operations if the share prices begin to make a heavy collapse. Hence, no drastic decline of stock quotations is possible.



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The Importance of Freedom of Speech

TOYOKEIZAI SHINPO (the Japanese version of *The Oriental Economist*) celebrated its 62nd anniversary on November 15. Few periodicals, Japanese or foreign, can boast of such a long history. During this period we have tried our best to enhance the welfare of our people, promote international friendship, and bring about the full fruition of democracy in Japan.

Our anniversary period has caused us to reflect on the tremendous importance of free speech. However important something may be, human nature tends to cause us to take for granted those things which we can have for the asking. Thus, we tend to take air for granted, and, in like manner, freedom of speech.

At the end of World War II, Japan happily got rid of almost every vestige of speech control. For a time, Japan was grateful for this priceless boon. As time passed, however, a callousness arose and the people began to take freedom of speech for granted. And now there are signs that some are misusing this blessed freedom.

It is often said that a nation based upon constitutional principles need not be aware of the existence of laws. Likewise, it may be argued that a nation is blessed if it need not be thankful for free speech. However, when a nation grows callous toward, or takes lightly, or misuses freedom of speech, it lays the seeds for dictatorship or mob tyranny.

It is evident that the outstanding current example of complete dictatorship is the Soviet Union, where an endless bloody drama is perpetually staged. The recent expulsion of Marshal Georgi Zhukov is only the latest link in the Soviet rosary of sin and violence. Only the "official" explanation from those in power is available to explain the virtual execution of one of the most revered heroes of Russia. We cannot help feeling a sense of deep indignation over this ruthless handling by a blood-stained dictator.

Yet, it is reported that the Russian public has little feeling for those expelled because they have so much faith in the men currently in power. This may well be the case with the Russian man-on-the-street who has never tasted freedom of speech in the first place. However, it is also true that there has recently been a rapid rise of the intelligentsia in the Russian hierarchy. Is it possible that those intelligent people—people who can tell right from wrong—do not feel cheated when a man who only a short time before collaborated in sending his rivals into oblivion is now condemned to the same fate with an identical explanation?

The rapid progress of Russian science and tech-

nology which has succeeded in sending two earth satellites into outer space should be highly praised. However, if that progress has been built on the denial of human desires and speech, can we genuinely admire the achievement as a true development in humanity? Any nation where such murderous bloodsheds are considered to be everyday affairs would not only make a sinister neighbor but would in the end be a poison to itself.

It is true, we have to admit, that the freedom of speech can be exerted in such a way that there would be no agreement of public opinion—to the disadvantage of the nation at large. This could lead to a waste of time and money with a resulting delay in policy-making. However, it should be borne in mind that the evils thus entailed are infinitely lighter than those we could expect from the best of dictators. Choose any Communist nation and compare it with its counterpart in the democratic camp. The former may reach a conclusion on a national policy before you can say Marshal Zhukov, while in the latter a Macmillan or an Eisenhower may face a considerable opposition for the slimest of reasons before he can raise a defense budget a small notch higher. This difference in the state of affairs in Communist and democratic camps may benefit the former for a time in such undertakings as the earth-satellite project. However no sane person with the knowledge of usual Communist techniques can predict that the flimsy lead could be eternal. We cannot lay too much emphasis on the importance of the freedom of speech.

At the same time, we should never for a moment forget that by abusing this freedom of speech, we can commit as grave a sin as the worst dictator. To our great chagrin, however, this abuse of freedom is currently as rampant in Japanese journalism as at any time in recent history. For instance, Mr. Tokuma Utsunomiya (a Liberal-Democratic Party Diet member) was recently featured in a sensational newspaper treatment of prostitution rackets. The *Yomiuri* newspaper reported that Mr. Utsunomiya was one of those "sold-out" law-makers who accepted bribes from houses of ill fame, while Mr. Utsunomiya actively denies the fatal charge. If Mr. Utsunomiya's claim that he is as pure as snow proves correct, how will the *Yomiuri* newspaper, which headlined the matter, make amends to him?

If this sort of unlimited barbarism in words continues, it will be only a matter of time for some reactionary force to muscle into the scene and lay the foundation for another dictatorship. It is high time for all journalists to awaken to the situation and begin to appreciate the true meaning of the freedom of speech.

Nuclear Power Plans

ON September 18, 1957 Japan's first experimental nuclear reactor, a boiling water type with a thermal output of 50 kilowatts (supplied by North American Aviation Company; cost, \$258,000), was fueled and put into operation. The site of this historical installation is the Japan Atomic Energy Research Institute at Tokai-Mura, Ibaraki Prefecture, some 60 miles to the northwest of Tokyo.

Atomic Power Projects and Energy Resources Situation

Next among the reactors to be tried out at the Institute will be the CP-5 pressurized water reactor (thermal output, 10,000 kW; price, \$1,495,000) for which a contract with American Machine and Foundry Company was signed in November 1956. This installation is expected to be working before the end of 1958.

The third experimental reactor will be Japanese of design and construction, and will use natural uranium for fuel, and heavy water for the moderating medium. This domestic product is scheduled for completion during fiscal 1960-61.

According to the long-range plan for atomic power generation now under discussion by the Atomic Energy Commission, there will be installed, after these experimental reactors have been tried out, the following power reactors:

1. A pressurized water or boiling water type reactor (imported) of 10,000 to 15,000 kW capacity
2. A thermal breeder reactor (Japanese design) of 5,000 to 10,000 kW capacity
3. A high-speed breeder reactor (Japanese design) of 5,000 to 10,000 kW capacity, and
4. A thermal or high-speed breeder reactor (Japanese design) of 100,000 kW capacity.

These four are tentatively scheduled for installation and completion before the end of fiscal 1970-71 at the Japan Atomic Energy Research Institute.

Full-scale nuclear power generation will commence in fiscal 1962-63 with the completion of a 150,000 kW installation (probably of an improved Calder Hall type). In fiscal 1965-66 the nuclear power generation capacity is expected to total 900,000 kW; and by fiscal 1970-71 some 3,150,000 kW will be produced.

From then on, expansion is expected to be rapid, with a more-than-doubling of capacity to 7,050,000 kW by fiscal 1975-76, using pressurized water, boiling water, and breeder reactors.

The funds requirements of this tentative plan are:

1. for power generation stations construction....	¥ 1,041,400 million
2. for initial fueling costs.....	232,000 million
3. for domestic production of uranium, graphite, &c.	73,900 million
Total	¥ 1,347,800 million

Some 16 percent of the total outlay is expected to be covered by induction of foreign capital; and this plan will probably be formally adopted early in November 1957.

While Japan is undertaking this development plan of considerable magnitude, the more advanced nations will be making further progress. The United

Kingdom expects to be in possession of from 5 to 6 million kilowatts of capacity by 1965. By the same year the U.S.S.R. will probably have in operation from 4.5 to 6 million kilowatts, while the United States will have completed build-up to about 1,580,000 kW of capacity. France plans on having about 850,000 kilowatts.

This means that Japan, working with a small experimental reactor for the first time in 1957, expects to go in for more intensive nuclear power development than France, a nation which had a practical power reactor of its own in operation as early as 1956.

The reason, of course, for this haste in undertaking atomic energy development for power generation is Japan's paucity of energy resources in general. According to the report to the Ministry of International Trade and Industry, submitted by the Committee on Energy of the Industry Rationalization Council, Japan's energy requirements by fiscal 1975-76 will become such that the chemical industry alone will need 25,600 million kilowatt-hours of electricity per annum, that production of town gas will call for 5.7 times the power-consumption of 1955-56, and that petroleum refining will use 5 times as much. The overall electric power requirement in fiscal 1975-76 is estimated at some 147,500 million kWh. Table 1 gives the estimated requirements for other types of energy sources.

1. JAPAN'S ESTIMATED ENERGY REQUIREMENTS

	Fiscal 1955-56 (actual)	Fiscal 1975-76 (Estimate)
Electric Power (1,000 million kWh) ..	53.3	147.5
Coal (million metric tons)	59	118
Lignite (million metric tons)	1.4	2
Petroleum (million kiloliters)	11	36
Natural Gas (million cubic meters)	160	860
Town Gas (1,000 million cubic meters) ..	2.4	9.7
Coke	7.4	22

Source: "Japan's Future Energy Requirements", compiled by the Material Supply Section, Office of the Minister, MITI.

To meet this estimated demand of fiscal 1975-76, the supply, allowing for transmission, distribution, and other losses of about 13 percent, will have to be some 168,000 million kWh. Because the costs will rise as further development of hydro resources are undertaken, the economic limit of exploitable water power will probably be some 84,800 million kWh. This means hydro generation capacity of some 19.6 million kW, and the development of some 62 percent of all available water power resources now remaining untapped.

The expected coal production level in fiscal 1975-76 is 65 million metric tons (72 million tons according to the Committee on Energy of the Economic Deliberation Council), slightly more than half the estimated requirement. Even with 5 million tons added by utilization of low-grade coal, and with 18 million tons imported, there will still remain a shortage of 29 million tons. If this shortage is to be covered by fuel oil (15 million kiloliters) the total requirement for petroleum products will go up to 51 million kiloliters instead of the estimated 36 million. If the policy of avoiding importation of petroleum

products and derivatives (except for use by the refineries) is followed, the requirement of the refineries will in fiscal 1975-76 be some 46 million tons of crude oil (of which 1.5 million kiloliters can be produced in Japan) and some 5.8 million kiloliters of fuel oil, most of which must be imported from abroad.

These estimates are based on the assumption that for thermal generation of electric power there will be used in fiscal 1975-76 some 17 million tons of coal and 10 million kiloliters of fuel oil. But if one-fourth of this thermal generation is done by nuclear energy (3.5 to 4 million kW; the Economic Deliberation Council counts on from 4 to 7 million kW), it will be possible, with about 2,000 tons of uranium, to save about 9.8 million tons of coal (or 5 million kiloliters of fuel oil). Even if nuclear fuels cannot be domestically produced, there will be enormous savings in transportation, and the cost of fueling the 4 million kW of thermal capacity will be reduced to one-third as compared to the use of other imported fuels.

Progress of Nuclear Power Development

Despite the relatively low cost of Japan's electric power generation, the soaring demand for energy is making the development of nuclear power a matter of extreme urgency. Nevertheless, the actual set-up for atomic energy development was created only recently, much later than in the case of other industrial nations. The first concrete step toward harnessing the atom for power was taken in March 1954 with the appropriation under the supplemental budget for fiscal 1954-55 for promotion of science and technology. Prior to that there had been propounded in July 1952 by the Science Council the idea of an atomic energy commission; but the budget appropriation of ¥300 million with ¥260 million earmarked for atomic energy development, including ¥235 million for the purchase of an experimental reactor, can be considered to be the initial step forward.

Subsequent budget appropriations for atomic energy have been: ¥200 million for fiscal 1955-56 (¥360 million when the unused balance of the preceding year is included); ¥3,620 million for fiscal 1956-57 (¥1,600 million in credit); and ¥9,000 million for fiscal 1957-58 (¥3,000 million in credit). The rate of increase in amount has been sharp, and the requested amount for fiscal 1958-59 is ¥17,284 million (¥2,170 million in credit). The details are given in Table 2.

With increases in appropriations for development

2. ATOMIC ENERGY BUDGET REQUEST FOR FISCAL 1958-59

(In ¥ million)

	Fiscal 1958-59 (requested)	Fiscal 1957-58 (appropriated)
Japan Atomic Energy Research Institute..	5,609 (1,539)	10,373 (2,170)
Atomic Fuel Corporation	1,708 (427)	2,553
Research on Peaceful Use of Atomic Energy	1,482 (586)	2,654
Radiation Medicine Institute	591 (448)	1,136
Atomic Energy Commission	13	35
Atomic Energy Bureau	168	354
Atomic Energy Expenses of Government Ministries	61	171
Total	9,000 (3,000)	17,285 (2,170)

Note: Figures in parentheses are credited amounts.

of atomic energy the general set-up for the huge undertaking has gradually taken on recognizable shape. In June 1954 there was established as an advisory body to the Cabinet a Committee for Preparatory Investigations on the Utilization of Atomic Energy. In April 1955 the Industrial Technology Agency set up within its organization an Atomic Energy Section, while in July there was opened in the Economic Planning Board an Atomic Energy Office. These organs, however, were dissolved with the enactment of the three basic atomic energy laws: the Atomic Energy Basic Law, the Atomic Energy Commission Law, and the Law Amending in Part the Office of the Prime Minister Establishment Law. In January 1956 there were established, in the Office of the Prime Minister, the Atomic Energy Commission and the Atomic Energy Bureau (this latter later became the Atomic Energy Bureau of the Science and Technology Board).

Then, as the general research organization for matters related to nuclear energy, there was established in November 1955 the privately financed Atomic Energy Research Institute Inc. But in line with the thinking of the Joint Committee on Atomic Energy of the National Diet, that a strong national organization would be necessary for the development of nuclear power, this privately organized body was changed in form to an institute jointly sponsored by the Government and private business. This new body, known as the Japan Atomic Research Institute, was formally established in June 1956. In August 1956 there was formed a special state-financed corporation, the Japan Atomic Fuel Corporation, entrusted with general control over all nuclear fuel resources and production. Further, with a view to prevention of harm to human life, there was established in July 1957 the Radiation Medicine Institute charged with all research and safety activities in connection with the medical and preventive aspects of radio-activity.

In addition to the above, the Public Utilities Bureau of MITI is interested in atomic energy from the standpoint of nuclear power generation, while the Special Committee for Atomic Energy Problems of the Japan Science Council is interested in the development of atomic energy, mainly from the standpoint of the scientist, with emphasis on free access to information and democratic principles.

Atomic Energy Development Activities of Private Enterprise

Paralleling the Government actions directed toward speedy development of nuclear energy, private industry has also been busy making preparations for the atomic age. The purely private Japan Atomic Industrial Forum Inc., the counterpart of the United States organization of the same name, was established in March 1956; and the views of private circles in regard to nuclear developments of private circles are being passed on to the Atomic Energy Commission through this body, which serves as a clearing house for information and ideas. Within the Forum are six special committees; but the most active of these are the Committee on Energy Resources and the Committee on Nuclear Power.

Further, there have been formed, among private industrial and other companies, five groups aiming at development of atomic power. These groups,

generally speaking, reflect the old "zaibatsu" pattern, and their composition is as described below.

1. Mitsubishi Atomic Power Committee. Formed in October 1955. Member corporations: Mitsubishi Electric Mfg.; Mitsubishi Shoji (trading); Mitsubishi Metal Mining; Mitsubishi Nippon Heavy Industries; Mitsubishi Shipbuilding & Engineering; Mitsubishi Heavy-Industries, Reorganized; Mitsubishi Chemical Industries; Asahi Glass; Mitsubishi Steel Mfg.; Mitsubishi Oil; Mitsubishi Bank; Mitsubishi Estate; Mitsubishi Mining; Mitsubishi Steel; Mitsubishi Rayon; Tokyo Marine & Fire Insurance; Meiji Mutual Life Insurance; Mitsubishi Chemical Machinery Mfg.; Mitsubishi Cement; Mitsubishi Economic Research Institute; and Mitsubishi Paper Mills.

2. Tokyo Atomic Power Industrial Conference. Formed March 1956. Hitachi Ltd. (heavy industries); Showa Denko (chemicals); Marubeni-Iida; (trading); Hitachi Shipbuilding & Engineering; Toa Nenryo Kogyo (petroleum); Nippon Coal Mining; Nippon Yakin Kogyo (metallurgy); Nissan Chemical Industries; Hitachi Wire & Cable; Hitachi Metal Industries; Nippon Suisan (marine products); Nippon Cement; Tokyo Rope Mfg.; Kashima Kensetsu (construction); Nippon Reizo (cold storage); Sanwa Bank; Fuji Bank; and Nippon Breweries.

3. Sumitomo Atomic Energy Committee. Formed April 1956. Sumitomo Marine & Fire Insurance; Sumitomo Machinery; Sumitomo Bank; Sumitomo Metal Industries; Sumitomo Metal Mining; Sumitomo Shoji (trading); Sumitomo Trust & Banking; Sumitomo Mutual Life Insurance; Sumitomo Coal Mining; Sumitomo Warehouse; Sumitomo Electric Industries; Nippon Sheet Glass; and Nippon Electric. These fourteen companies are expected to form, on November 10 or thereabouts, the K.K. Sumitomo Atomic Energy Research Institute (authorized capital: ¥500 million).

4. Japan Atomic Energy Enterprises Association. Formed June 1956. Tokyo Shibaura Electric; Daiichi Bussan (trading); Mitsui Shipbuilding & Engineering; Mitsui Mining & Smelting; Mitsui Chemical Industry; Onoda Cement; Ishikawajima Heavy Industries; Ishikawajima Shibaura Turbine; Mitsui Steamship; Mitsui Mining; Tokyo Rayon; Miike Synthetic Industry; Toyo Koatsu Industries (chemicals); Dainippon Celluloid; Japan Steel Works; Taisho Marine & Fire Insurance; Mitsui Bank; Mitsui Trust & Banking; Mitsui Mutual Life Insurance; Hokkaido Colliery & Steamship; Electro-Chemical Industrial; Sanki Engineering; Toyo Soda Mfg.; Showa Aircraft Industry; Nippon Carbon; Taihei Electric; Nippon Metal Industry; Nishimatsu Kensetsu (construction); Shimizu Kensetsu (construction); Okano Valve Industry; Showa Electric Wire & Cable; and Yokogawa Electric Works.

5. Daiichi Atomic Energy Industry Group. Formed June 1956. Asahi Electro-Chemical; Daiichi Bank; Fuji Electric Mfg.; Fuji Tsushinki Seizo (communications equipment); Furukawa Electric; Furukawa Mining; Kawasaki Dockyard; Kawasaki Aircraft; Kawasaki Steel; Kobe Steel Works; Nippon Light Metal; Kobe Kogyo (electronics); Nissho (trading); Shimizu Kensetsu (construction); Yokohama Rubber; and Ebara Mfg.

The electric power companies which, once atomic power becomes a reality, will be the principal pro-

ducers and purveyors are also concentrating much effort in research. Of these the most notable has been the Tokyo Electric Power Company which with the collaboration of electrical manufacturers has formed the Toden Joint Research Association for Atomic Power. The initial research project of this association ran for a six-month period ended with December 1956, culminating in the design of a 10,000 kW boiling water type reactor-generator set up through collaboration with Tokyo Shibaura Electric Company (assisted by Ishikawajima Heavy Industries and Ishikawajima Shibaura Turbine), and in the design of a breeder type reactor-generator of similar capacity in conjunction with Hitachi engineers. The second project covering 1957 is the designing of a 100,000 kW capacity boiling water or pressurized water reactor-generator set.

The Kansai Power Company too has formed an Atomic Power Research Committee with the cooperation of the Electrical Research Institute (Government), Mitsubishi Electric, and Mitsubishi Heavy-Industries Reorganized. This group has worked on the design of a 10,000 kW natural uranium-fueled, heavy-water-moderated reactor, as well as a pressurized water reactor of similar capacity. Then from April 1957, in addition to the companies mentioned above, four companies from the Sumitomo group and some construction companies have been joining in the design of an improved Calder Hall type reactor of 150,000 kW capacity, and a pressurized water reactor of 134,000 kW capacity. These activities ended with fruitful results in October 1957.

The Chubu Power Company also has a group, the Joint Research Group for Atomic Power, in conjunction with Tokyo Shibaura Electric, Ishikawajima Heavy Industries, Ishikawajima Shibaura Turbine, Mitsubishi Electric, Mitsubishi Heavy-Industries, Reorganized, and Mitsubishi Shoji, which has completed the designs for a Calder Hall type reactor (140,000 kW) and a pressurized water reactor (134,000 kW).

The latest development in atomic power is the establishment of the Japan Atomic Power Generation Company (authorized capital, ¥4,000 million; paid-up, ¥1,000 million) participated in by the nine electric power companies (42 percent), the Electric Power Resources Development Company (20 percent), private atomic industrial groups (20 percent), and some others. In order to expedite the development of atomic power on a commercial basis this new company plans to import a reactor of practical size, build a suitable generating station, and operate this installation for commercial sale of electric power. The first phase of its planning calls for the purchase, at a cost of about ¥30,000 million, of an improved Calder Hall type power reactor (150,000 KW capacity) from the United Kingdom. Work on the project will start in October 1958, and the completion target is now set at November 1962. A mission to the United Kingdom with this purpose in view is expected to be sent shortly.

The second phase calls for the importation mainly from the United States of reactors designed for operation with enriched uranium.

Key to Development is Supply of Nuclear Fuels

For early realization of nuclear power genera-

tion the prerequisite is the securing of an adequate supply of nuclear fuels. The Geological Institute of MITI has been conducting investigations of uranium prospects in Japan; but since the establishment of the Atomic Fuel Corporation in 1956 this new organization has been expediting the development of prospecting, mining, and refining of uranium and other nuclear fuels. In addition to the workings at Ningyo Toge in Tottori Prefecture, there have been undertaken since April 1957 exploratory borings to such depths as 500 meters at Ogamo Mine, Kurayoshi-Shi, Tottori-Ken; Sanpo Mine, Okayama-Ken; Miyoshi Mine, Kurashiki-Shi, Okayama-Ken; Suzuyama in Kagoshima-Ken; and in the Ishikawa district of Fukushima-Ken.

However, nuclear fuel production in Japan is as yet barely past the embryonic stage, with the first pilot plant for uranium refining, with a daily capacity of only 30 kg or thereabouts, now under construction at the Atomic Energy Research Institute. Consequently, there is no production of enriched uranium or even natural uranium in commercial quantities; and for some time to come it will be necessary to import the bulk of the nuclear fuel requirements. The United States-Japan Atomic Energy Research Agreement made possible the importation of the 6 kilograms of uranium-235 for fueling the first experimental reactors at Tokai-Mura. This fuel, it goes without saying, is on loan. To carry out the plan of building up capacity by 1970 to some 3,150,000 kW, it will become necessary to import at least 4,800 tons of natural uranium, and 560 tons of 2.6-percent enriched uranium (equivalent of 14.5 tons of uranium-235) at a total cost of about \$400 million. These fuels will be purchased or leased from the United States (enriched uranium) and the United Kingdom (natural uranium) and since atomic power agreements with these nations will have to be concluded, negotiations are now under way. However, in so far as the agreements between the United States and West Germany, and the United Kingdom and France restrict the annual amount of uranium-235 to not more than 2.5 tons there is some doubt as to whether Japan's requirement of 5 tons can be obtained. Negotiations with the United King-

dom are being undertaken on the basis of leaving the quantity to be furnished unspecified in the main agreement, with a separate agreement for a supply of about 500 tons yearly. Currently, however, the talks are bogged down in connection with the method of inspection of Japan-produced fuels, and the inspection procedure following upon the creation of an international atomic energy organization. Apart from the United States and the United Kingdom, there has been an arrangement for the sale, on a commercial basis, of one ton of natural uranium (ingot) to Japan from France. This fuel will go into the first boiling water type reactor of Japanese design at the Atomic Energy Research Institute. There has also been received a draft of an agreement with Canada for a supply of natural uranium.

Nuclear fuels, it goes without saying, can be used to arm atomic and hydrogen bombs. Consequently, the supplying nations tend to insist on inspection of the fuel furnished other nations; and this harbors the danger of restrictions being imposed upon research activities in the recipient countries. This is one reason for the hesitancy in accepting reactors and fuel from abroad. Among Japanese scientists there are some who advocate the postponement of any importation of reactors or signing of international agreements in connection with nuclear fuels until after the 2nd World Conference on Atomic Power has been held in 1958. Their contention is that there is the possibility of the latest findings in regard to reactor construction and operation being made available at this conference, and that the choice of the proper reactor for Japan's purposes could well wait for another year. It is also argued that the bilateral agreements for nuclear fuel supply go counter to the spirit of the international organization for atomic energy.

As explained above, atomic power development is being pushed at an increasingly quicker pace in Japan, mainly from the necessity of providing for rapidly growing energy requirements. Yet, because Japanese technology is as yet backward in the processing and production of nuclear fuels, the future course will doubtless be far from smooth.

National Assets Account

CONSIDERING the national income and related figures as a statement of profit and loss, the national assets account is a balance sheet showing the term-end surplus or deficit balance, expressed as a general rule in book value. Listed in this balance sheet are four assets items: 1) fixed assets; 2) inventories; 3) foreign exchange and receivables; and 4) financial assets. Of these, items 1, 2 and 3 are together known as the national capital.

Roughly speaking, items 1 and 2 make up the physical national wealth (the reproducible assets balance, expressed in value at the time of reproduction), which gives rise to the annual national income. In other words, an estimate of the current national wealth is obtained by taking the latest tabulation and adding to it the invested portion of the sub-

sequent national income, deducting of course the depreciation.

However, it is not possible to make an accurate analysis of the economy on the basis of national wealth and income alone, and it is necessary also to know how these are created in monetary terms of credits and obligations.

For a comprehensive grasp of the transitions of national wealth and finance, the Economic Planning Board has prepared and made public various tabulated data regarding the national assets account. These tables and accounts are based on the estimation now being undertaken of the national wealth of 1955, and the following are now available:

Financial Analysis Tabulation (1951-1956)

Financial Interrelations Tabulation (1952-1956)

National Balance Sheets (1951-1956)
National Balance Sheets, Itemized (1951-1956)
National Balance Sheets, Itemized, for each
Quarter of 1956.

The national balance sheet (showing the national assets account) indicates the pattern of assets and liabilities in each area of the economy, so it is possible to know just who are the stockholders, so to speak, of Japan, and the extent of their holdings. Further, an analytical study can be made of the ratios of current and fixed assets to liabilities. The financial interrelations tabulation can be regarded as the financial version of the industrial pattern, and from the figures presented it is possible to know how capital is being accumulated and where it is being expended.

Increase of Financial Assets

As explained above, of the national assets, the fixed assets, inventories, and foreign exchange holdings and net receivables together comprise the national capital (roughly speaking, the physical assets). As of the end of 1956 the estimated value of the national capital stood at ¥23,500,000 million, ¥1,900,000 million more than at yearend 1955 (up 19 percent), and ¥7,400,000 million more than at yearend 1951 (up 46 percent).

During the same five-year period the total of credit in the forms of deposits, loans, investment securities, &c., the financial assets, rose by yearend 1956 to ¥21,000,000 million (including duplications), up ¥3,970,000 million (23 percent) as against the preceding yearend. This growth is 2.6 times greater than that of national capital during the same year.

The higher rate of growth of financial assets as compared to that of national capital has been a consistent phenomenon during the past five years, and

1. ECONOMIC TRANSITIONS, PERIOD 1951 THROUGH 1956

(In ¥100 million, and percentages)

Year-end	National Capital	Percentage of Total	Financial Assets	Percentage of Total	National Assets	Average Capital Co-efficient
1951.....	163,646	68.9	72,543	31.1	233,189	3.70
1952.....	173,885	63.7	99,298	36.3	273,183	3.51
	(13,239)	(33.1)	(26,755)	(66.9)	(39,994)	
1953.....	188,224	59.8	126,564	40.2	314,788	3.33
	(14,339)	(34.5)	(27,266)	(65.5)	(41,605)	
1954.....	201,026	57.9	145,333	42.1	346,959	3.36
	(12,802)	(39.8)	(19,369)	(60.2)	(32,171)	
1955.....	215,315	55.0	170,526	45.0	385,841	3.29
	(14,239)	(36.8)	(24,593)	(63.2)	(38,882)	
1956.....	234,609	52.7	210,233	47.3	444,842	3.16
	(19,294)	(32.7)	(39,707)	(67.3)	(59,001)	

Notes: Percentage of total based on National Assets=100.

Figures in parentheses indicate annual increase.

Capital co-efficient obtained by dividing National Capital by National Income.

as against the financial assets level of ¥7,250,000 million of yearend 1951, there has been a growth in five years of ¥13,770,000 million to result in a 2.9-fold increase.

National assets in a combination of national capital and financial assets, and the ratio of one to the other sheds light on the degree of development of the capitalistic system. Goldsmith, the United States economic expert, contends that, as borne out by the conditions in America, the higher the development of the capitalistic system and the greater the growth of the economy the more elaborate becomes the credit arrangements, and the ratio of financial assets to national capital increases in favor of the former.

Currently, in the United States the proportion of financial assets within all national assets stands at about 70 percent. It will be seen from Table 1 that Japan too is approaching this level, with the 31 percent of yearend 1951 increasing to 67 percent only five years later. National assets at yearend 1956

2. NATIONAL BALANCE SHEETS

(In ¥100 million and percentages)

Assets	End of 1951	Percentages	End of 1956	Percentages	Increase		
					1956	A	B
National Capital.....	136,925	100.0	186,272	100.0	12,367	107	136
		(85.2)		(79.4)			
Fixed Assets	30,770	22.5	54,956	29.5	5,149	110	179
Government	26,880	19.6	45,274	24.3	5,845	115	168
Corporations	134	0.1	503	0.3	179	153	375
Primary Industries.....	12,256	9.0	21,253	11.4	3,014	117	173
Secondary Industries.....	14,490	10.5	23,518	12.6	2,657	113	162
Tertiary Industries	537	0.4	2,165	1.2	272	114	403
Banking Institutions	78,738	57.5	83,877	45.0	1,101	101	107
Individuals	50,266	36.7	54,092	29.0	958	102	108
Private Housing.....	19,025	13.9	19,010	10.2	↔ 75	100	100
Primary Industries.....	1,301	1.0	2,015	1.1	125	107	155
Secondary Industries.....	8,146	5.9	8,760	4.7	93	101	108
Tertiary Industries.....	21,403	100.0	44,498	100.0	6,594	117	208
		(13.3)		(19.0)			
Inventory Goods							
Government.....	4,836	22.6	7,037	15.8	611	110	146
Corporations	12,029	56.2	25,462	57.2	5,252	126	212
Primary Industries.....	54	0.2	413	0.9	196	191	765
Secondary Industries.....	6,992	32.7	13,562	30.5	2,496	123	194
Tertiary Industries.....	4,983	23.3	11,487	25.8	2,560	129	231
Individuals	4,583	21.2	11,999	27.0	731	107	264
Primary Industries.....	3,412	15.9	4,955	11.1	↔ 428	92	145
Secondary Industries.....	641	3.0	2,062	4.6	257	114	322
Tertiary Industries.....	485	2.3	4,982	11.2	902	122	1,027
Sub-total	158,328	(98.5)	230,770	(98.4)	18,961	109	146
Foreign Exchange & Net Receivable	2,318	(1.5)	3,839	(1.6)	333	110	166
National Capital Total.....	160,646	(100.0)	234,609	(100.0)	19,294	109	141
Banking Assets	72,543	—	210,233	—	39,707	123	290
National Assets Total	233,189	—	444,842	—	59,001	115	191
Liabilities							
Net Government Assets	35,256	21.9	58,103	24.0	5,342	110	165
Net Corporation Assets	26,197	16.3	36,513	15.6	4,241	113	139
Net Banking Assets	760	0.5	4,283	1.8	809	123	564
Net Individual Assets	100,000	62.2	138,828	59.2	9,582	107	139
Adjustment Items	1,567	↔ 0.9	↔ 3,118	↔ 1.3	↔ 680	—	—
Total.....	160,646	100.0	234,609	100.0	19,294	109	146

Notes: Parenthesized figures are percentages based on National Capital 100.

"A" figures are dividends of yearend 1956 figures by yearend 1955 figures; "B", 1956 by 1951.

totalled ¥44,000,000 million, up ¥5,900,000 million (15 percent) over the yearend 1955 level, and up ¥21,000,000 million (91 percent) over the 1951 level. By specific year, all the figures show the least gain in 1954 and the most notable surge in 1956, reflecting the fluctuations of business activity.

Efficiency of Capital

The average capital co-efficient indicates the amount of capital needed to produce a unit of national income, and is obtained by dividing national capital by national income. Whereas this co-efficient stood at 3.7 in 1951 there was a steady decline subsequently and in 1956 it was down to 3.16. In other words, in 1956 a yield of ¥7,400,000 million in national income was available from a national capital of ¥23,500,000 million. It goes without saying that the lower the average capital co-efficient the higher the income yield and the higher the efficiency of the available capital. The co-efficient for west European countries and the United States ranges between 2 and 3. In Japan the co-efficient was heretofore estimated at from 4 to 5, but the recent studies indicate the capital efficiency to be considerably higher than had been thought, and the level of the more advanced nations is being approached.

Rate of Increase of Inventories

The pattern of national capital indicates that at

yearend 1956 the ratios of assets were: fixed assets, 79 percent; inventories, 19 percent; and foreign exchange holdings and net receivables, 2 percent. At yearend 1951 these percentages respectively were: 85 percent, 13 percent, and 2 percent. The proportion of fixed assets has diminished, and that of inventories has grown. This is because, while inventories doubled in size in the five years, there was an increase of only 36 percent in fixed assets. But by monetary value, of the ¥7,400,000 million increase in national capital, the gain made by fixed assets was ¥4,900,000 million (67 percent), while that of inventories was ¥2,300,000 million (31 percent). As for ownership of the net assets at yearend 1956, private individuals held title to 59 percent of the total, the Government owned 25 percent, while corporate entities held 16 percent. As compared to the pattern of five years before, the Government's holdings have increased 65 percent, but those of private individuals and corporations have increased less than 40 percent. With financial assets, the pattern, at yearend 1956, was: savings and deposits, 31 percent; banking institution loans, 27 percent; securities investments, 15 percent; and accounts receivable, 14 percent. As compared to five years before, the growth of deposits, particularly long-term deposits, has been phenomenal at 3.6-fold. Apart from currency, with a growth of only 1.7-fold, the others have about trebled in size.

3. FINANCIAL ASSETS ANALYSIS
(In ¥100 million and percentages)

	End of 1951	Percentages	End of 1956	Percentages	Increase		
					1956	A	B
Government Investment & Loans (1)	3,590	5.0	10,201	4.9	1,472	117	284
Bank of Japan Loans Excluding Foreign Banks (2) ..	3,983	5.5	1,683	0.8	1,090	284	42
Banking Institution Loans (3)	18,722	25.8	55,682	26.5	11,274	125	297
Negotiable Securities Investment (4)	11,207	15.4	31,243	14.9	5,113	120	279
Deposits	18,097	24.9	64,218	30.5	12,328	124	355
Long-term	11,574	15.9	48,143	22.9	9,659	125	416
Short-term	6,523	9.0	16,075	7.6	2,669	120	246
Credit Sales	8,696	12.0	29,291	13.9	5,509	123	337
Call Money (5)	180	0.2	1,356	0.6	416	144	753
Currencies	7,148	9.9	11,979	5.7	1,877	119	168
Cash in Hand	5,100	7.0	8,122	3.9	1,172	117	159
Deposit Currency	2,048	2.9	3,857	1.8	705	122	188
Others	920	1.3	4,580	2.2	628	116	498
Total	72,543	100.0	210,233	100.0	39,707	123	290
Overlappings							
(1). (4)	2,273	—	2,457	—	597	—	—
(2). (3). (5)	42	—	113	—	85	—	—
Reference							
Gross National Product	58,588	—	88,924	—	—	12.9	152
National Income	49,590	—	74,272	—	—	13.4	150

Note: Same as Table 2.

Japan Monopoly Corporation

History of Government Monopoly Operations

By State monopoly is meant ownership and direct operation by the Government of facilities for production, procurement and sale of certain goods, or services for the purpose of obtaining national revenue, for the safeguarding of public health, or for furtherance of national security and defense. Currently, with the exception of the United States, the United Kingdom, and certain other countries, there are some twenty-odd nations which make use of the State monopoly system. In Japan the system has deep roots in history, with its beginnings in the feudal domains of medieval

times. After the opening of Japan to the West, and its new start as a modern nation after the Meiji Restoration, there was a general remolding of the administrative, social, and economic systems, and in 1896 the tobacco industry was made a State monopoly by act of the Imperial Diet. This was followed by the nationalization and direct operation of the camphor industry in 1897, while in 1905 salt was also made a monopoly commodity. These monopolies were at first operated by different agencies of the Government; but in 1907 they were brought together under the control of the Government Monopoly Bureau, a branch of the Ministry of Finance.

This arrangement continued for some 40 years until June 1949, when as a result of a directive issued in 1948 by General MacArthur, the Supreme Commander of the Allied Powers then occupying Japan, a reorganization was undertaken, with the State monopoly enterprises making a new start as a government corporation, separated out from the administrative organization. It was in this way that the present Japan Monopoly Corporation came to exist; and the aim of this divorcement from direct management under the administrative arm of government, though still under State ownership, was to instill business-mindedness, and to avoid the inefficiency of bureaucratic operation.

1. PERCENTAGE OF MONOPOLY INCOME AGAINST
GENERAL ACCOUNT REVENUE
(In ¥ million)

Fiscal Year	Monopoly Income (A)	General Account Revenue (B)	A/B
1934-36	202	2,293	8.8
1949.....	117,894	758,612	15.5
1950.....	113,822	716,793	15.9
1951.....	118,838	895,488	13.3
1952.....	133,719	1,078,805	12.4
1953.....	159,223	1,219,020	13.1
1954.....	152,088 (27,211)	1,185,960	12.8
1955.....	147,500 (28,784)	1,126,387	13.1
1956.....	154,493 (40,281)	1,232,514	12.5
1957 (Estimate)....	159,292 (41,277)	1,132,465	14.0

Source: Monopoly Corporation for all the tables.

Note: Figures in parentheses indicate tobacco tax income transferable to local public utilities.

Today, the business organization of the Japan Monopoly Corporation comprises its head office and regional bureaus in 17 major cities of Japan. In addition, there are branch bureaus, branch offices, experimental stations, research laboratories, hospitals, and clinics, these facilities numbering 616 at July 1, 1957. Of these facilities, 40 are tobacco factories attached to bureaus and branch bureaus, 22 are tobacco leaf drying plants, likewise supervised by regional bureaus or branch bureaus, while 2 are salt refineries. In October 1956 the total number of employees of the Monopoly Corporation stood at 40,850 workers.

Monopoly Payments to the Treasury,
and Business Results

Currently, there are in Japan, besides the Monopoly Corporation, two other public-service, government Corporations: the Japanese National Railways and the Japan Telegraph and Telephone Corporation. Since unlike these service organizations the main purpose of the Monopoly Corporation is to raise revenue for the Treasury, all profit accruing from sale of tobacco, salt, and camphor together with the indirect taxes on these commodities goes to the Treasury. The total payment in 1956 came to ¥154,500 million. Since the monopoly profits in 1934-36 averaged ¥201 million per annum, the 1956 level was 769 times higher; and even with allowances made for changes in money value, the contribution to the Treasury is still double that of prewar times. The 1956 amount was 31 percent higher than that of 1949. In terms of Budget General Account revenues, the Monopoly Corporation contribution has made up from 12 to 16 percent of the total since 1949, which is considerably more than the 8.8 percent of 1934-36. Then, because there has

been levied a tobacco consumption tax since 1954, there have, in addition to the payments made to the Treasury, been contributions made directly to the local governments (Tokyo Metropolis, Hokkaido, and prefectural governments) by the Monopoly Corporation in the amount of ¥40,300 million in fiscal 1956-57. This represents some 3 percent of all local government revenues.

The Corporation reports that both income and outgo are growing steadily, so the enterprise is undergoing overall expansion. This growth is shown by the figures. Tobacco (cigarette, pipe tobacco, and cigar) sales, which stood at ¥65,700 million in fiscal 1949-50, rose to ¥103,000 million in fiscal 1956-57; while the quantity of cigarettes made increased to 104,200 million from the 70,800 million of 1949-50. Acreage planted to tobacco increased to 77,000 *Chobu* (*Chobu*=2.45 acres) as against 50,000 *Chobu*. So there were, in six years, respective gains of about 50 percent. Procurement of salt from domestic sources rose to 671,000 metric tons as against the 396,000 tons of fiscal 1949-50; while sales increased by about 170 percent, from 1,077,000 tons to 2,907,000 tons. Collection of camphor increased to 4,197 tons as against 3,042 tons, with sales up to 3,745 tons as against 2,962 tons.

Compared to prewar (1934-36 average) figures tobacco product output and sales are up some 70 percent, tobacco acreage has more than doubled, while salt collection is about the same. Camphor deliveries are now slightly higher, while sales are down by more than 30 percent because imports from Taiwan have ceased. However, the camphor business makes up but a minor portion of the Corporation's operations.

In contrast to the growth of business volume, there has been a decline in the profit rate, as can be seen from Table 2. With 1949-50 as the base, net profit after reaching a peak of 119 percent in 1953-54 has since been on the decline. This is due mainly to the drop in sales of the profitable high and medium grade cigarettes, and to the rise of raw material prices. The bulk of the profits realized by the Corporation comes from tobacco product sales, with salt and camphor yielding very little gain; so business profit is directly affected by cigarette sales. Since basically the tobacco business was made a State monopoly for the purpose of raising revenue, while salt and camphor are handled as a form of public service, this high dependence on tobacco for profit is quite understandable. The net profit of ¥156,000 million realized in fiscal 1956-57 came almost entirely from tobacco, and dealings in salt actually resulted in a loss of about ¥1,000 million. The reasons for the notable fluctuations in salt and camphor operations is that there is high dependence on importation from overseas, where considerable instability in prices is encountered.

Below will be given in more detail a description of the operations of the Corporation.

Tobacco Business

The tobacco collecting, processing and manufacturing operations of the Monopoly Corporation are overwhelmingly bigger than the other businesses it undertakes. Of the total sales revenue of ¥242,000 million of fiscal 1956-57, ¥217,400 million, or some 89.8 percent, resulted from tobacco products. Salt

and magnesium chloride sales stood at ¥23,700 million (9.8 percent), while camphor and camphor wood brought in only ¥900 million (0.4 percent). The net profit figures are given in Table 2.

2. MONOPOLY PROCEEDS

(In ¥ million)

Fiscal Year	Tobacco	Salt	Camphor	Total	Index
1949.....	134,074	3,176	32	138,281	100
1950.....	116,627	352	77	117,056	85
1951.....	129,839	2,754	98	132,691	97
1952.....	146,155	↔ 686	14	145,483	106
1953.....	160,768	2,422	↔ 27	163,163	119
1954.....	156,566	1,287	↔ 92	157,761	115
1955.....	161,929	603	6	162,538	109
1956.....	157,071	↔ 1,002	99	155,971	114
1957 (Estimate)	159,317	0	8	159,324	116

According to a recent survey, some 47 percent of the adult Japanese are smokers (men, 81 percent; women, 13 percent). In 1955 there were about 20 million men and 3.8 million women smokers. Since cigarette sales in 1955 came to ¥205,000 million (Corporation delivery price), and the consumers paid a total of ¥222,900 million, the per capita spending by smokers comes to about ¥9,700 per annum, or about ¥2,500 per capita of the population, and about ¥12,400 per household. Spending on tobacco was in 1955 about 3.3 percent of the per capita national income, and at about 4.5 percent of the gross national personal spending on consumer goods. Spending on tobacco as compared to national income of the major nations of the world is shown in Table 3.

3. EXPENDITURE FOR TOBACCO VERSUS NATIONAL INCOME

	Fiscal Year	National Income (A)	Expenditure for Tobacco (B)	B/A %	Cigarette Consumption per Capita per year
Japan	1955	67,510	2,229	3.3	1,094
U.S.	1954	2,997	52.5	1.8	2,291
England	1954	15,718	855	5.4	1,809
France	1954	114,980	2,093	1.8	855
Italy	1952	83,400	3,132	3.8	795a
West Germany	1954	1,123	45.6	4.1	767

Notes: a indicates 1954 figure

In columns (A) and (B) ¥100 million for Japan;

\$100 million for U.S.; £ million for England;

100 million francs for France; 100 million lira for Italy;

100 million mark for West Germany.

In the United Kingdom and in western Europe the price of cigarettes and tobacco is much higher than in Japan (two to three times as much), so despite much higher national income the proportion to total personal expenditures of spending on tobacco is greater. Consumption of cigarettes in the United States is extremely high, but because national income is incomparably higher, the ratio of spending on tobacco to total is lower than elsewhere.

Table 3 shows per-capita consumption of cigarettes only. In 1955, 94 percent of the tobacco smoked by the Japanese was in the form of cigarettes. With the United States and Italy, cigarettes make up 80 percent of total consumption, while in France and West Germany only 70 percent of the tobacco is used in cigarettes, the remainder being smoked as cigars or in pipes. Consequently, allowing for the extra 20 or 30 percent of non cigarette tobacco consumption, the per-capita consumption in the United States is two and a half times higher than in Japan, and two times higher in Britain. Frenchmen smoke a little more than the Japanese, while Italians smoke less. One reason for Japan's consumption level being lower than that of the United States, Britain or France is that there are fewer women smokers.

One feature of cigarette sales in Japan since the war is the sudden and sharp shifts in brand preference. Although there was steady growth of volume after the termination of rationing in April 1950, with yearly increases in quantity of from 6 to 11 percent, and from 12 to 16 percent in value, there was a reversal of this trend in fiscal 1954-55 and 1955-56 with quantity gaining 6 percent and 1 percent, but with value down 2 percent for each of these years. In consequence the Monopoly Corporation's average gross per 10 cigarettes (about 92 percent of the average consumer price) has been declining from the ¥21.89 of fiscal 1953-54, to ¥20.28 in fiscal 1954-55, and further to ¥19.54 in 1955-56. This was due mainly to the drop in sales of the high grade "Peace" and medium grade "Hikari" brands, with notably bigger volume registered by the low price "Shinsei" and others.

But in fiscal 1956-57 there was a recovery of high and medium grade sales, with a 30 percent decline in low grade volume; and the Corporation's average gross increased to ¥20.85 per ten. But the quantity consumed declined from the 104,100 million of fiscal 1955-56 to 103,000 million in fiscal 1956-57. From the above it can be said that consumption has steadied since fiscal 1954-55, while business activity apparently affects the brand preference pattern sharply. This decline in demand for high and medium grade cigarettes in fiscal 1954-55 and 1955-56 was due in part to the price increase of the high grade brands, but the more direct cause was undoubtedly the cutback in consumer spending due to the policy of disinflation. The business recovery of 1956 led to bigger sales of the high and medium grades. Comparing the prewar and postwar patterns of preference, it is found that whereas in 1934-36 the high grade brands made up only 2.5 percent of the total, with medium grade at 18.6 percent, and ordinary grade at 78.9 percent, the postwar pattern in fiscal 1956-57 was: high grade, 9.1 percent; medium, 35.5 percent; and low, 55.4 percent. The pattern in fiscal 1955-56 was: high grade, 7 percent; medium, 15.7 percent; and regular, 77.4 percent. The Corporation is endeavoring to increase sales revenue by introducing, among the medium grade brands, mentholated and filter-tip cigarettes. The traditional finely cut tobacco for smoking in Japanese "kiseru" pipes is declining steadily in popularity and is sold mainly in the rural areas. This type of tobacco accounts for only 6 percent of the total consumption. The paper tube tipped type of cigarette has also gone out of vogue, and negligible quantities are manufactured for sale to a limited clientele.

4. ANNUAL TOBACCO CONSUMPTION

Fiscal Year	Consumption (In million)	Population Total (In 1,000)	Consumption per Capita
1934-36.....	59,142	68,647	862
1950	75,109	83,200	903
1951	82,985	84,600	981
1952	88,161	85,900	1,026
1953	96,734	87,000	1,112
1954	102,797	88,300	1,164
1955	104,117	89,300	1,166
1956	102,982	90,172	1,142
1957 (Estimate) ..	108,600	91,018	1,193

The retail price of tobacco products is made up of the manufacturing cost, Corporation business profit, retail commission, and indirect taxes. The

business profit and indirect tax are paid into the Treasury as contribution toward national revenue, while the metropolitan, regional, and prefectural governments as well as municipalities, townships and villages receive the tobacco consumption tax, which is also included in the retail price. The profit and taxes together make up about 65 per cent of the retail price, so they are about 2.5 times the actual cost. In prewar days (1934-36) the differential was less, at 57 percent.

Leaf tobacco production will be briefly outlined. Whereas before the war the acreage devoted to tobacco cultivation stood at 35,000 *Chobu* in 1934-36, there were in fiscal 1956-57 73,000 *Chobu* of tobacco fields supporting 420,000 persons, as against the 250,000 of prewar. Collection of leaf tobacco consequently has increased, with 153,000 tons taken in 1956-57 as against the 64,000 tons of prewar. Domestically produced leaf tobacco satisfies 92 percent of the Corporation's requirements, so importation of tobacco from the United States (Virginia), India, Greece, and Turkey for blending with domestic leaf is not excessively high.

The yield of leaf tobacco per unit area in Japan varies, of course, with the type of leaf cultivated; but the average in recent years in 180 kilograms per *Tan* (0.1 *Chobu*), which is not very better than the 174 kilograms of prewar; but the quality has improved notably.

Tobacco growing is undertaken under a permit system, with the Corporation selecting qualified farmers from among those who apply for licenses, and the acreage to be planted to tobacco is specified. Consequently, the farmer is not free to increase his area; and his entire crop is bought up by the Corporation, at prices set each year on the basis of other farm crop prices.

Salt Enterprise

In Japan the sale of salt is a State monopoly managed by the Monopoly Corporation. Production of salt may be undertaken only by those granted permit by the Corporation, while the salt produced, with the exception of a small amount for the producer's own use, is bought up by the Corporation. Imported salt was also under the strict control of the Corporation (since 1943), but after October 1956 the soda industry, the principal user of imported salt, has been permitted to make its own purchases from abroad.

Domestic supply in fiscal 1956-57 stood at 2,905,000 tons, and of this amount only 23 percent (671,000 tons) was domestically produced. The balance

was imported. Salt for food was used in fiscal 1956-57 at the rate of 945,000 tons per annum, which means that the per-capita consumption was 10.6 kilograms. Industrial consumption during the same period was 1,865,000 tons, at 20.6 kilograms per capita. Whereas there is little or no change in the food salt consumption level, the quantity of industrial salt used is on the increase. The reason for Japan's low production of salt is of course because there is no deposit of mineral salt, while the climatic conditions are not at all favorable for extraction of salt from the sea. Heavy rainfall and high humidity make evaporation by natural sunlight difficult, while the salt beds are often damaged by typhoons. These adverse conditions make the cost of domestic salt production high, and the current collection price at ¥13,000 per ton is just about double the most expensive imported Spanish salt at ¥6,502 c.i.f. The Corporation therefore is endeavoring to lower the cost of home-produced salt by encouraging bigger production with more efficient methods and facilities. Of the 2,230,000 tons imported in fiscal 1956-57, some 1,070,000 tons came from distant sources such as India, Middle East, Africa, Europe and America, while about 1,030,000 tons were bought in such nearby areas as Taiwan and Mainland China. 140,000 tons came from points a little more distant such as Indo-China, Thailand, Philippines, and Indonesia. Although the quality of salt from nearby sources is poorer, the price is affected less by ocean freight rates, so the tendency is toward increase in purchases of Asian salt, resulting in better stability of the salt supply.

Camphor Operations

Natural camphor is a specialty of Japan and Taiwan, and before the war Japan held a world monopoly in camphor since Taiwan was a Japanese possession. In order to protect and develop this special product the planting and felling of camphor trees as well as camphor extraction, distillation and sale were made a State monopoly; so revenue was not the principal objective.

Currently, domestic production is at a level of about 4,000 tons per annum, the sales volume being ¥1,000 million. Camphor is a raw material for celluloid, photographic film base, and flavorings, while it is widely used as insecticide and moth repellent, and for pharmaceutical purposes. It plays an important role in foreign exchange earnings since it is the raw material for the celluloid industry which exports upwards of ¥2,000 million worth of goods to overseas markets.

Wholesale-Retail Business Growth

THE Statistics of Commerce surveys of the Ministry of International Trade and Industry have been carried out three times to date: in 1952, 1954, and in 1956. Whereas with the first two surveys, the figures were as of September 1, the commercial census of 1956 used July 1 as the reporting date.

The preliminary results of this 1956 survey have been published recently, and this article will give a summary of the findings, in relation to those of the two preceding polls, in so far as the MITI Statistics of Commerce has come to be regarded as important reference material for grasping the real conditions of Japan's domestic commerce.

By "participants" is meant all persons engaged mainly in the activities of the wholesale and retail establishments, excluding temporary day-labor, and including owner-operators. Sales volume information

is derived from six months, as against the eight months of the two preceding surveys. There have, also been some changes made in the classification of business. Consequently, comparison of the latest results with those of the two preceding surveys would not be valid in the strictest sense. Also, because the recently published results are based on early tabulations, there is some standard error due to the use of 10-percent samples for wholesale establishments with 19 or less participants, and for retail stores with 9 or less participants. Full counts were made of the establishments of bigger size.

Growth of Commercial Activity

Generally speaking, the points cited below are notable.

1. With both wholesale and retail trade, there was little or no increase in the number of establish-

ments; but there was marked increase in sales volume, and considerable increase in the number of participants, together indicating greater business activity.

2. The ratio of corporate to proprietorship operations has, during the period 1954-56, grown in favor of the former; but the rate of increase was not so high as in the years 1952 through 1954.

3. Not only have the number of participants per establishment and the volume of business increased notably as compared to the previous results, but the proportion held by the small establishments of from 1 to 4 participants declined, and there is a general trend toward increase in size of operation.

4. Sales volume per participant has gained by 13.1 percent in the case of wholesale business, and 7.8 percent with retailers, as against the level of the preceding survey. Corporations show bigger gains in sales efficiency than proprietorships (see Table 3).

5. Inventories show increases of 6.4 percent for wholesalers, and 17.8 percent for retailers; but the rates of gain are lower than that of sales volume, so the ratio of inventory to sales is lower than at the time of the preceding survey.

6. Classifications indicating notable increase in sales were: in wholesale, "minerals and metal materials", up 69 percent; "furniture, fittings, utensils" up 54 percent; "machinery, appliances", up 58 percent; "chemical products", 50 percent; "clothing, accessories", 40 percent; and "building materials", 38 percent; while in retail "fabrics, clothing, accessories", was up 37 percent; "bicycles, handcars", up 35 percent; "department stores", up 29 percent; and "furniture, fittings, utensils", up 21 percent.

1. NUMBERS OF ESTABLISHMENTS & MONTHLY SALES
VOLUME BY BUSINESS CLASSIFICATION

	Number of Establish- ments (1,000)	Sales Volume (¥ 100 million)	Percent- age of Total (%)	Comparison with Preceding Survey (%)
WHOLESALE.....	180.0	9,720	100	29
Textiles	11.2	2,128	22	16
Clothings	14.3	437	5	40
Agricultural & Fishery Products	19.3	1,273	13	6
Foodstuff & Drinks	27.8	1,227	13	24
Pharmaceuticals & Cosmetics	5.4	232	2	14
Chemicals	5.4	427	4	50
Mineral & Metal Materials.....	11.4	1,688	17	69
Machinery	21.5	1,001	10	58
Construction Materials..	19.1	359	4	38
Household Utensils	7.3	113	1	64
Others	28.4	813	8	14
Agents & Brokers.....	8.4	21	0.2	—
RETAIL	1,201.5	2,492	100	21
Department Stores.....	0.185	187	8	29
Textiles, Clothings	172.7	417	7	37
Foodstuffs	639.7	1,108	44	18
Bicycles, Carts	38.7	38	2	35
Household Utensils	112.2	186	8	21
Others	237.7	555	22	14

Going into the situation in more detail, the total number of establishments was 1,550,700 as of July 1, 1956 (with 6,676 closed for various reasons). Of these there were, among the retail establishments, 169,000 eating and drinking places, 15 percent more than in 1954, and 34 percent more than in 1952. With other types of operations, there was a gain of only 1.9 percent over the level of 1954, and 13 percent as against 1952 (See Table 2.)

Wholesale establishments increased 4 percent over 1954 (24 percent over 1952), while their participants increased 14 percent (49 percent over 1952), and their real sales volume went up 25 percent (74 percent over 1952) (price corrections for wholesale by Bank of Japan wholesale indices; for retail, by consumer price indices).

These figures show that size per establishment has increased, and the same tendency is seen among

the retail stores (excluding eating and drinking places, hereafter the same unless otherwise noted). But the growth-rate of size of retail stores at 2 percent (12 percent over 1952) is lower than that of wholesale establishments, while their participation is up 12 percent (31 percent), and their real sales volume is up 22 percent (54 percent). The ratio of retail stores (including eating and drinking places) throughout Japan to the wholesale and retail total has not changed appreciably since the last two surveys.

2. NUMBER OF ESTABLISHMENTS & PARTICIPANTS,
SALES VOLUME, & INVENTORY ON HAND

	1952	1954	1956
GRAND TOTAL			
Number of Establishments.....	1,221	1,356 (11.0)	1,382 (1.9) (13.1)
Number of Participants	3,159	3,807 (20.5)	4,294 (12.8) (35.9)
Monthly Sales	6,962	9,572 (37.5)	12,212 (27.6) (75.4)
Inventory on Hand	—	7,562	8,343 (10.3)
WHOLESALE			
Number of Establishments.....	145	147 (19.7)	180 (3.6) (24.0)
Number of Participants	869	1,130 (30.0)	1,293 (14.4) (48.7)
Monthly Sales	5,516	7,512 (39.5)	9,720 (24.6) (73.8)
Inventory on Hand	—	4,952	5,269 (2.4)
RETAIL			
Number of Establishments.....	1,076	1,182 (9.9)	1,202 (1.7) (11.7)
Number of Participants	2,290	2,677 (17.0)	3,001 (12.1) (31.1)
Monthly Sales	1,446	2,060 (25.7)	2,492 (22.2) (53.6)
Inventory on Hand	—	2,610	3,074 (19.0)

Notes: No. of establishments and no. of participants in 1,000; monthly sales and inventory on hand in ¥100 million. Figures for 1952 and 1954 as of September 1 (monthly sales, August volume); for 1956, as of July 1 (monthly sales, June volume). Upper set of figures in parentheses, percentage gain over preceding survey results; lower set, comparison with 1954 figures (percentage gain). Sales and inventory gains corrected for price fluctuations, except in case of "GRAND TOTAL".

Changes by Form of Ownership, and by Size

Dividing the establishments into corporations and proprietorships, 49 percent of the wholesale organizations were corporations (48 percent in 1954), with 77 percent of the workforce (78 percent in 1954). These corporations handled 93 percent of the wholesale sales volume (93 percent in 1954), while their inventories amounted to 90 percent of the wholesale total (92 percent in 1954). Consequently, the relative importance of the incorporated organizations in this category is clear. Little or no change has occurred in the ratios since the previous surveys.

With the retail establishments, the proportion of proprietorships remains high at 90 percent, with 75 percent of all retail participants working in this type of operation. Here again there is little or no change in ratios; and the sales volume handled by the proprietorships stood at 51 percent (53 percent in 1954), with inventory at 48 percent (47 percent).

Turning next to the per-establishment and per-capita sales, it is clear from Table 3 that the corporations have in both the wholesale and retail categories increased their levels by from 20 to 30 percent. But in the rate of increase per capita, the achievement is down to between 6 and 15 percent. In the wholesale field the superiority of the corporate operations is clearly demonstrated: for instance

in per-establishment sales the corporations average ¥10 million, at 13 times the ¥790,000 for the proprietorships.

The gap narrows considerably in the case of per-capita sales, the corporations at ¥910,000 being 3.8 times better than the proprietorships at ¥240,000.

In retail trade the per-establishment sales of corporations is 8.4 times higher than that of proprietors, while with per-capita sales the corporations are still ahead by 2.8 times. Particularly notable is the low rate of increase of the proprietorship per-capita sales volume.

3. MONTHLY SALES PER CAPITA, PER ESTABLISHMENT (In ¥1,000)

	Per Establishment	Per Capita
WHOLESALE		
Corporations	10,203 (22.2)	907 (15.0)
Proprietors	786 (34.8)	240 (11.6)
RETAIL		
Corporations	988 (18.0)	161 (11.0)
Proprietors	118 (15.7)	57 (5.6)

Note: Figures in parentheses, the rate of growth (%) against preceding survey level.

The reason for corporations being better in performance is, of course, their bigger size. The differentials resulting from size operation are as shown in Table 4. In wholesale, 53 percent (58 percent in 1954) of total sales was handled by establishments with from 1 to 4 participants, and in retail the proportion was 92 percent (94 percent in 1954). The number of participants in this class of operation was 19 percent of the total (20 percent in 1954) for wholesale, and 72 percent (75 percent in 1954) for retail; but in sales volume, these handled only 7 percent (8 percent in 1954) of total, while in retail trade 56 percent (61 percent in 1954) of the total was sold by

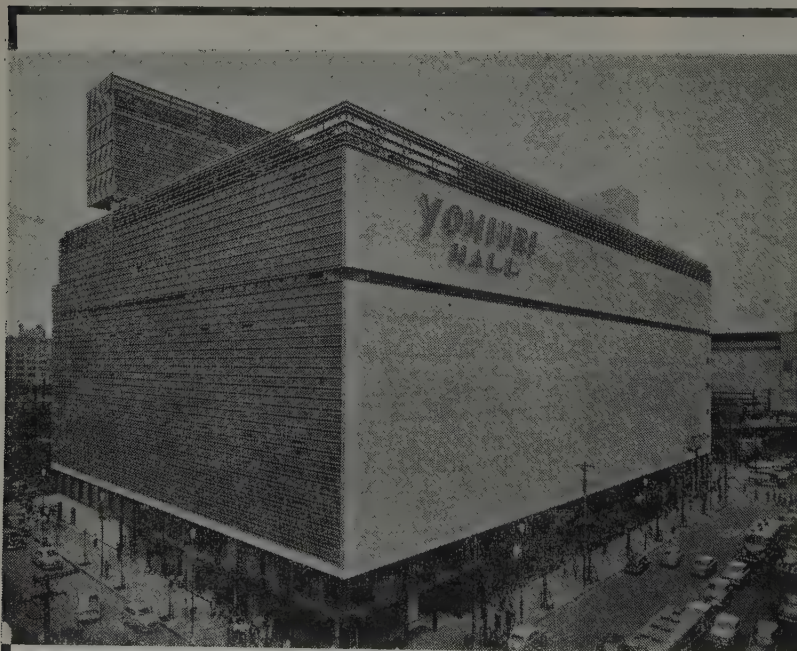
these marginal establishments.

The small, marginal establishments are numerous, particularly in the retail field. But as compared to the time of the previous survey, the number of shops with 1 to 4 participants has declined (wholesale, by 6 percent; retail by 0.1 percent), while with this class of operation the rate of growth of both number of participants and sales volume has been relatively low. On the other hand, with operations of larger size, the growth rates have been correspondingly higher; and it is clear that the tendency toward bigger size of operation continues.

Per-capita sales is higher the bigger the establishment in the case of wholesale trade, and with organizations with more than 50 participants, the sales volume per capita, at ¥2 million, is as much as 7 times that of the smallest class. But in retailing, the difference is much smaller, with the 5-to-49 class at about double (¥110,000 to ¥130,000) the per-capita sales of the 1-to-4 class, while the more-than-50 class achieves only about three-fold (¥200,000). Of particular interest is the fact that the sales performance of the 20-to-49 class is lower than that of the 5-to-19 class. This appears to be one indication of the optimum size of operation for retail business.

4. NUMBER OF ESTABLISHMENTS & SALES VOLUME BY SIZE

Size (No. of participants)	No. of Establishments (%)		Sales Per Capita (¥1,000)	
	Wholesale	Retail	Wholesale	Retail
1—4	53.0	92.2	284	64
5—9	28.7	6.4	422	120
10—19	12.8	1.1	631	128
20—29	2.9	0.2	784	114
30—49	1.6	0.1	966	117
Upwards of 50	1.0	0.05	2,000	201
Total or Average	100.0	100.0	752	83



Yomiuri Hall Building

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Architectural Office:

Yomiuri Hall Building

Architectural Office

Construction:

Shimizu Construction Co., Ltd.

Completion: May 1957

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(32,900 sq. m. apx.)

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Industry

Construction

IN the course of 1956, construction activities by private interest got much brisker than a year ago as national economy continued growing in scale. But the Government's public works remained rather lethargic as a whole because of the deflationist policy pursued after 1954 and the subsequent slashing of budget appropriations.

1956 Construction Brisker

According to the Ministry of Construction's statistics, construction works executed in 1956 by 56,149 authorized contractors added up to ¥873.7 billion in terms of contract amount, or nearly 10% of the national income estimated at ¥8,892.4 billion. Of this total, building comprised 58%, and civil engineering 42%. Classified by owners (clients), private interests accounted for 56% and governmental agencies, central and local, for 44%.

Compared with the preceding year, the total amount of contracts executed was up 27%. The rate of increase was as high as 63% for building, while on the other hand civil engineering suffered a drop of 3%. Contracts offered by private interests registered a substantial gain of 59%, but those by government services a very small rise of only 2%. These trends can be seen in Table 1.

1. CONSTRUCTION WORKS EXECUTED
(In billion yen)

	1955	1956	Gain or Loss (→, %
Total	690.4	873.7	27
By Type of Construction			
Building	310.4	506.1	63
Civil Engineering	380.0	367.6	(←) 3
By Owners (Clients)			
Private Interests	298.2	474.3	59
Government Agencies	392.2	399.4	2

Source: The Construction Ministry for all the tables unless specified.

From 1953 through 1955, building works (excluding civil engineering) started annually decreased by 3%, but a tangible increase of 21% was witnessed in 1956 in terms of floor space as listed in Table 3. It is seen that the percentage is much smaller than the 63% expansion of the contract amount as shown in Table 1. This difference however, is nothing to be wondered at, not only because Table 3 shows the commencement of works and Table 1 the execution of works but also because building starts were held off temporarily after the implementation of the deflationist policy in 1954.

Since the middle of 1955, building starts have been resuming an upward movement in terms of floor area, each month registering a bigger figure than a year ago (see Table 2). In April, 1957, for instance, building starts were up 27% from a year ago. With this month as the peak, however, a downward trend set in: building works started in August stood at

80% of the April 1957 level and 95% of that a year ago. All this resulted from the resumption of the deflationist policy as from March, 1957.

2. FLOOR AREA OF BUILDING WORKS STARTED

(In 1,000 *tsubo*, one *tsubo* equal to about 3.3 sq. m.)

	1955	1956	1957
Jan.	631	825	953
Feb.	736	912	1,009
Mar.	914	1,071	1,176
Apr.	953	1,007	1,277
May	939	1,079	1,214
June	835	1,000	1,180
July	791	1,118	1,158
Aug.	848	1,080	1,023
Sept.	831	1,076	—
Oct.	968	1,089	—
Nov.	816	998	—
Dec.	848	1,049	—

3. BUILDING WORKS STARTED, CLASSIFIED BY OWNERS

(In 1,000 *tsubo* for floor area)

	Total	Central Govt.	Prefec- tural Govern- ments	Cities, Town & Villages	Business Firms & Other Juridical Persons	Indivi- dual Owners
1951.....	9,833	296	273	1,094	2,251	5,918
1952.....	10,411	257	241	1,440	2,023	6,344
1953.....	10,643	349	336	1,244	2,425	6,288
1954.....	10,335	335	361	1,527	2,217	5,895
1955.....	10,279	261	246	1,186	2,299	6,287
(Ratio)	(100.0)	(2.6)	(1.9)	(10.5)	(28.4)	(56.7)
1956.....	12,384	319	233	1,295	3,514	7,023
Monthly Av.	1,032	27	19	108	293	585
1957						
Jan.	953	28	29	122	341	434
Feb.	1,008	25	12	114	329	529
Mar.	1,176	23	30	107	394	622
Apr.	1,277	25	17	94	417	725
May	1,214	23	13	69	490	682
June	1,180	12	13	63	426	667
July	1,158	12	12	63	375	696
Aug.	1,028	12	18	69	352	573
Cp. A Year Ago (%)..	94.7	34.5	144.4	92.1	102.9	92.8

As may be noted in Table 3, of the total building works commenced in 1956, individual owners accounted for as much as 57% in terms of floor space, and next came business companies and other organizations with 28%, followed by government authorities, central and local, with 15%. Governmental building activities were brisk during 1953-54. Though an upturn was seen in 1956, they did not recover to the 1953-54 mark due mainly to the curtailment of appropriations by the central and local governments. In striking contrast, building starts went up by as much as 53% for business corporations and other organizations and by 12% for individual owners, each registering an all-time record.

With the turn of 1957, however, business has been rather dull in all cases. Take August for instance: building starts represented 40-80% of the recent monthly record. Business in August comprised 72% of May's for business companies and other organizations and 79% of April's for individual owners. Compared with the corresponding month of 1956, the

total floor space of building starts in that month was off 5%, and classified figures increased only for business companies (including other organizations) and prefectural governments.

Housing Projects Comprise Biggest Share

Of the total building starts in 1956, housing projects accounted for the largest portion of 37% in terms of floor space, and next came buildings for housing-commercial joint use with 17%, followed by mining and manufacturing with 16%, those for public and educational use with 11% and by those for commercial services with 6% as shown in Table 4.

Housing projects, which remained rather inactive from 1953 through 1955, registered a marked increase of 20% in 1956 over the preceding year. Buildings for housing-commercial joint use showed a similar trend, curving up by 11% in 1956.

In the field of agriculture, forestry and fishery, building activities have been shrinking continuously since 1951. Reasons are twofold: i.e. 1) wartime air raid damages were rather small in this field and, moreover, building works were stepped up in the early postwar years when food crop prices were high due to the serious shortage, but 2) a recession soon started in this field and production has since been lethargic.

But wild ups and downs occurred in the mining and manufacturing industries which used to be affected sensitively by the general business cycles. Compared with 1951, building starts were off 23% in 1955.

Almost the same fluctuation was in the case of buildings for commercial use: i.e. a decrease of 52% from 1951 through 1954 but an abrupt upturn of 38% in 1956. It is to be noted, however, that the 1956 figure was still 34% smaller than 1951's. This clearly reveals that there has been no big leeway left for further progress in the commercial business which enjoyed an earlier recovery than many other lines after the war's end.

As for public and educational buildings, too, works commenced in 1956 were smaller in floor space than those in 1951. In the case of public utilities, build-

ing starts in 1956 were bigger than those in 1951, but they showed a decline of 13% from 1953. In the field of commercial services, building starts increased year after year, and those in 1956 were up 33% from 1953.

Reinforced Concrete Buildings Gaining

Wooden houses, though they still comprise by far the biggest portion in terms of floor area, have shown any visible gain in the past years, while on the other hand reinforced concrete buildings have been increasing conspicuously. Of the total works started in 1956, wooden houses accounted for 77%, followed by reinforced concrete buildings with 16% and steel structure ones with about 6%. From 1951 through 1956, wooden houses witnessed a very small upping of 9% strikingly contrasted to the 2.4-fold gain for both reinforced concrete and steel structure buildings. Even in the latter case, however, a sharp decline has been seen since April, 1957: for instance, August starts represented only 20-40% of the previous monthly record and were off 3-6% from the like month of 1956. Details to these variations are shown in Table 5.

The increase of reinforced concrete buildings is ascribed, among other factors, to the fact that building cost has been rather stable in the past years in contrast to the sharp rise for wooden houses. The building cost index (1952 as 100) stood at 77 in 1951 but rose to 120 in 1953, 136 in 1954 and to 141 in 1956 for wooden buildings. For reinforced concrete buildings, on the other hand, it was 101, 110, 114 and 104, respectively. All this resulted from the increased production of iron and steel compared with the everworsening shortage of timber. In the current year, building cost slipped by 1.3% for wooden and by 9.8% for reinforced concrete buildings from June to August. But the position recorded in the latter month was still up 5.6% for wooden and 15.5% for ferro-concrete buildings from a year ago. Month-by-month building costs from 1951 through 1957 are listed in Table 6.

Fiscal 1957 Construction Estimates

The Ministry of Construction estimates that con-

4. BUILDING WORKS STARTED, CLASSIFIED BY PURPOSES

(In 1,000 *tsubo* for floor area)

	Housing	Housing Com- mercial Joint Use	Agr., Forest, & Fishery	Mining & Mfg.	Commer- cial	Public Service & Educa- tional	Public Utilities	Commer- cial Services	Others
1951		5,018	630	1,445	1,068	1,475	159	—	39
1952		5,472	630	1,227	1,046	1,816	178	—	42
1953	3,875	1,877	600	1,402	597	1,377	265	616	33
1954	3,838	1,744	570	1,230	515	1,605	252	642	38
1955	3,831	1,894	539	1,118	589	1,324	227	726	30
1956	4,611	2,097	552	1,949	709	1,368	257	821	20
Monthly Av.	384	175	46	162	59	114	21	68	2
(Ratio)	(37.2)	(17.0)	(4.5)	(15.7)	(5.7)	(11.0)	(2.0)	(6.6)	(0.2)
1957: January	318	177	39	183	70	124	30	70	1
February	380	158	43	189	46	108	25	59	1
March	411	197	59	220	56	129	21	82	2
April	460	224	62	243	54	108	22	103	1
May	430	208	57	278	66	84	24	67	1
June	437	195	47	233	65	107	26	68	1
July	466	183	38	215	73	75	36	70	2
August	395	157	37	192	77	80	26	57	1
Cp. A Year Ago (%)	(99.0)	(87.7)	(88.1)	(103.2)	(126.2)	(97.6)	(108.3)	(54.8)	—

5. BUILDING WORKS STARTED, CLASSIFIED BY TYPE OF CONSTRUCTION

(In 1,000 *tsubo* for floor area)

	Wooden	Reinforced Concrete	Steel Structure	Others
1951.....	8,674	834	285	41
1952.....	9,368	705	259	79
1953.....	9,064	1,063	406	111
1954.....	8,581	1,236	357	161
1955.....	8,389	1,308	386	195
1956.....	9,482	1,974	674	254
Monthly Av.....	790	185	57	21
(Ratio)	(76.8)	(16.0)	(5.5)	(2.3)
1957				
Jan.....	663	204	65	20
Feb.....	757	174	56	21
Mar.....	893	205	48	29
Apr.....	967	222	69	19
May.....	912	199	79	24
June.....	858	156	102	26
July.....	884	187	64	23
Aug.....	758	183	56	26
Cp. A Year Ago (%)..	94.3	93.8	96.6	113.0

6. BUILDING COST PER TSUBO OF BUILDING WORKS STARTED

(Index with 1952 as 100)

	Wooden Buildings			Reinforced Concrete Bldgs.		
	1955	1956	1957	1955	1956	1957
Jan.....	138	137	145	107	103	124
Feb.....	133	141	145	105	114	105
Mar.....	131	137	150	119	104	132
Apr.....	131	126	141	115	93	108
May.....	131	132	133	105	92	109
June.....	134	147	153	113	111	121
July.....	131	141	150	116	106	122
Aug.....	137	143	151	122	103	119
Sept.....	138	141	—	97	101	—
Oct.....	146	142	—	85	104	—
Nov.....	149	143	—	99	113	—
Dec.....	149	150	—	105	104	—
Yearly Average ..	137	141	—	108	104	—

struction works from April, 1957, through March, 1958, will involve a total amount of ¥1,255 billion, of which ¥55 billion is for special procurements and machinery. This total is 17% bigger than 1956's, which in its turn was up 20% from a year ago.

Of this total, civil engineering comprises ¥520 billion, or a gain of 20%, and building ¥680, or an increase of 15%. The shares of civil engineering, building and others are 41%, 54% and 4%, respectively.

Due to the afore-mentioned retrenchment of budget appropriations, civil engineering works failed to show any marked expansion from fiscal 1953 through fiscal 1956, while on the other hand building works went up by 40% in the meantime, the rate of gain in 1956 over the preceding year being as much as 30%. In fiscal 1957, however, civil engineering works are expected to get substantially active. Reasons are as follows:

1) As it became clear in the fall of 1956 that the transportation bottleneck was one of the biggest obstacles in the way for economic expansion, liberal appropriations have since been made for improvement of roads, harbors and national railways.

2) Governmental investments have been boosted also for other public works than transportation as taxes and other revenues have come to flow increasingly into the hands of government agencies along with the enlargement of national economy.

3) Electric power development projects have been stepped up as the power shortage has assumed serious dimensions.

In the field of building, housing projects in fiscal 1957 is expected to increase by 19% as in the preceding year. Public buildings will be up 4% and private non-housing buildings up 16%.

But it must be mentioned that the Government has decided to pursue a very rigid deflationist policy after the announcement of these construction estimates. Thus, equipment investments by government agencies and private interests combined will have to be curtailed by 15-20%. As the consequence, construction works in the current fiscal year will remain almost on the same level as in fiscal 1956.

7. ESTIMATED AMOUNT OF CONSTRUCTION WORKS

(In billion yen)

	Fiscal 1957 (A)	Fiscal 1956 (B)	A/B, %
Total	1,255.0	1,075.8	117
Civil Engineering	520.1	423.4	120
Public Works	255.4	217.0	118
Roads.....	80.5	55.8	144
Harbours	14.9	11.5	130
Public Utilities	235.7	191.6	123
Railways	56.7	35.7	159
Electric Power.....	107.3	92.6	116
Others	29.0	24.0	117
Building.....	679.9	593.6	115
Housing.....	308.0	258.9	119
Public Service.....	87.6	84.4	104
Private Non-housing	253.3	219.3	116
Remodeling, Etc.	31.0	31.0	100
Others	55.0	48.8	113
Machinery & Equipment	47.2	41.0	115
Special Procurements	7.8	7.8	100

Overseas Activities Attempted

Construction contractors executed a lot of works for the Allied Occupation forces in the early post-war years and for the Allied forces operating in Korea after the outbreak in 1950 of the local war there. The latter kind of construction works are included in the category of so-called special procurements. As shown in Table 8, the contract amount of such construction works averaged well over \$40 million per annum from July, 1952, through June, 1954, but the figure has since dropped by 40% to the \$26-million mark.

In this light, leading contractors in the spring of 1955 established a special organization, entitled the Overseas Construction Cooperation Association, with a view to promoting their business activities abroad. They have since received more than 200 inquiries from foreign clients. Of these, they have sent their bids for 10 odd inquiries, but no contract has yet been concluded formally.

Major overseas inquiries include, among others, the 42,000-unit housing project in Iraq and the 10-year construction plan in Kuwait. It is also reported that the Japanese Government has recently been requested by the Thai Government to recommend some contractors well experienced in large dam construction, for the latter should like to specify Japanese contractors, too, for the international *Yanhi* dam tender.

8. CONSTRUCTION CONTRACTS IN SPECIAL PROCUREMENTS

(In \$1,000)

Term	Contract Amount
July 1950-June 1951	11,146
July 1951-June 1952	16,719
July 1952-June 1953	46,849
July 1953-June 1954	44,171
July 1954-June 1955	26,710
July 1955-June 1956	26,181
July 1956-June 1957	26,750

Source: The Economic Planning Board.

An Egyptian mission, invited by the Electric Power Development Corporation, visited Japan on October 17, 1957. Its members include Colonel Samir Helmi, general affairs director, Dr. Hassan Zaki, chief engineer, and Dr. Mohammed Selim, engineer, respectively, of the Aswan High Dam Commission. Having inspected various sites of electric power development works, the mission announced, "We have found the Japanese technique of dam construction standing on the highest international standard and firmly believe that Japan is well able to help us considerably in technique and material supply. First of all, we are anxious to invite 10 odd steel structure experts."

Shimizu Kensetsu

This company is generally regarded as one of the biggest construction contractors in Japan and, moreover, it is indeed the oldest one, succeeding to Shimizu-ya, which was founded a century and a half ago and established itself as one of the leading builders toward the end of the Tokugawa era. It was Shimizu-ya that constructed a number of Western style buildings, such as Tsukiji Hotel and Mitsui-gumi House, for the first time in Japan in the early years of the Meiji era.

From the First World War to the Great Earthquake and Fire of Tokyo in 1923, Shimizu-ya succeeded in expanding rapidly its business activities and set up a network of local branches and agencies all over the country. Accordingly, it reshuffled and enlarged its organization several times in the meantime. It was in 1937 that it was formally incorporated into a joint-stock company. In 1948, it finally adopted its present title, Shimizu Kensetsu K.K.

Since the Second World War was over, the company has boosted its capital in rapid succession, its present capital standing at ¥100 million. Most of its shares are held by President Yasuo Shimizu and his relatives. Other share-holders are Fuji Fire & Marine Insurance, Ajinomoto, Sanraku Brewing and Nisshin Cotton Spinning, but their holdings are negligible compared with those of the Shimizus. As of March 31, 1957, it had 2,800 employees, of whom engineers in architecture, civil engineering and electric machinery comprised about 1,900.

Building now constitutes by far the biggest portion of its business, though all sorts of construction works are undertaken. Works executed from October, 1956, through March, 1957, or sales turnover amounted to ¥14,777 million, of which building accounted for ¥13,166 million or 89% and civil engineering for only ¥1,611 million (see Table 9).

Major buildings constructed by the firm since the war's end are: Kabukiza Theater, Nippon Sogo Bank's head-office, New Marunouchi Bldg., International Tourist Bldg., International Telegraph & Telephone Bureau, Toa Nenryo's Wakayama Plant, Asahi Beer Brewery's Azuma Plant and Daiwa Spinning's Masuda Plant. Civil engineering works executed in the same period include the Sho-unkyo Power Station in Hokkaido and Showa Denko's Aoki Plant.

9. SHIMIZU KENSETSU'S BUSINESS RESULTS

(In million yen)

Six-month Term Ending	Sales Turnover	Profit	Profit Rate
Sept., 1954	9,340	177	126
Mar., 1955	11,370	214	153
Sept., 1955	10,393	166	119
Mar., 1956	10,188	184	132
Sept., 1956	11,587	281	199
Mar., 1957	14,777	421	84

10. MAJOR WORKS EXECUTED OR UNDER CONSTRUCTION BY SHIMIZU KENSETSU

Client	Name of Construction	Location	Contract Amount (million yen)	Term of Construction
Yomiuri Shimbun....	Yomiuri Kaikan	Tokyo	608	Dec. '54-Apr. '57
Tokyo Electric Express Railway	Tokyo Bunka Kaikan	Tokyo	1,079	July '55-Dec. '56
Shiroki-ya	Head-office Enlargement Works	Tokyo	817	Feb. '56-May '57
Mitsubishi Real Estate	{ Shin Otomachi Bldg.	Tokyo	692	Aug. '56-Aug. '58
Kokyo Tatemono K.K.	{ Kasumigaseki Telephone Office	Tokyo	357	Dec. '54-June '57
Otomachi Tatemono K.K.	{ Otomachi Bldg.	Tokyo	420	May '56-Dec. '58
Tokyo Electric Express Railway	Toyoko Department Store Enlargement	Tokyo	270	Feb. '56-July '57
Tokyo Electric Power	New Tokyo Thermal Power Station	Tokyo	280	Aug. '56-Nov. '57
Daio Paper Mfg.	Mishima Plant	Iyo-Mishima	232	Oct. '56-Oct. '57
Nippon Housing Corporation	{ Harumi Housing No. 4	Tokyo	210	Dec. '56-Apr. '58
Toyo Sugar Refining	New Building	Tokyo	293	Dec. '56-Apr. '58
Gofuku Sangyo.....	Osaka Branch Bldg.	Osaka	245	Feb. '57-Mar. '58
Fuji Electric.....	Transformer Plant Enlargement	Kawasaki	255	Mar. '57-Oct. '57
Meiji University	Enlargement	Tokyo	220	Mar. '57-Apr. '58

Taisei Kensetsu

It was in January, 1946, that this company was formally incorporated under its present title, Taisei Kensetsu K.K. But its predecessor is Nippon Doboku Kaisha, established as early as in 1887 by such Meiji businessmen as Kihachiro Okura and Eiichi Shibusawa and reorganized in 1917 into a joint stock company, Okura Doboku Gumi, Ltd.

In September, 1956, the company offered its stocks for public subscription on the Tokyo Stock Exchange, but most of the leading construction firms have not yet been listed on any stock market. With its capital at ¥1,200 million, it now employs about 2,500 persons, of whom engineers account for 1,800. Big shareholders are: Chiyoda Life Insurance, Chiyoda Fire & Marine Insurance, Fuji Bank and Yamaichi Securities.

As contractors the company undertakes both building and civil engineering works, but the former claims far more importance than the latter in its

business results. In the six-month term from October, 1956, through March, 1957, for instance, works executed added up to ¥15,287 million, of which ¥12,430 million or 81% was for building and ¥2,857 million or 19% for civil engineering (see Table 11). Of the total for civil engineering, farmland development and improvement comprised 31%, power development 14%, road construction 10%, and water service and sewage works combined 10%. In the case of building, factories and warehouses took 35%, offices 26%, banks and insurance firms 10%, and apartment houses 10%.

The magnitude of the company's business activities can be seen from the following list of machines and equipment: i.e. 2,679 electric motors (44156 HP), 987 transformers (23,741 HP), 371 concrete mixers, 838 pumps, 42 cranes, 135 air compressors, 37 locomotives, 151 trucks, 34 road rollers and 17 bulldozers (as of March 31, 1957).

Major works executed recently are (contract amount in brackets): Daiwa Bank's main building (¥686 million), Nagoya Central Post Office (¥629 million), Kitayama Dam in Kumamoto Pref. (¥716 million), and Shikoku Electric Power's head-office building (¥501 million). Contracts recently signed in-

11. TAISEI KENSETSU'S BUSINESS RESULTS (In million yen)

Business Term	Contracts Concluded	Works Completed
Apr., 1956-Sept., 1956.....	17,153	10,354
Oct., 1956-Mar., 1957.....	15,091	15,287

clude, among others, Toyo Koatsu's Chiba Plant (¥855 million), National Stadium's first-stage construction works (¥761 million) and Showa Oil's Yokkaichi Refinery (¥569 million).

Kajima Kensetsu

Though its history dates back to the Tokugawa era or 1603-1867, it was only in 1930 that this firm was formally incorporated as a joint-stock company or Kajima Gumi, Ltd. From the Meiji (1868-1902) to the Taisho (1903-36) era, it played a very important role as contractors for railway construction and hydro-electric power development. After the Second World War, it changed its title into Kajima Kensetsu K.K. in 1947. Expanding its business activities, it has since boosted its capital several times and it now is capitalized at ¥900 million. Its stocks have not yet been offered for public subscription, 4,000,000 shares out of the 18-million total being held by Chairman M. Kajima of the Board of Directors.

As of May 31, 1957, the company had nearly 2,900 employees on its payroll. And its machinery and equipment were: two ships, 64 excavators, 4 graders, 50 power rollers, 5 asphalt plants, 57 bulldozers 43 locomotives, 108 trucks, 79 dump-trucks, 624 concrete mixers, 4,009 electric motors and 1,145 power pumps.

The company is receiving orders from both domestic and overseas clients. All over the country, it is operating 8 branches, 4 business offices and about 120 agencies. It has overseas agencies in Okinawa and Burma.



Founded 1873

Principal Lines:

**General Constructors
of Office Buildings, Housings
Including Utilities, Road,
Hydraulic and Thermal
Power-Plants, Harbors,
Irrigation, and Dams**

Unuma Factory of Tsuzuki Spinning Co., Ltd.



TAISEI CONSTRUCTION CO., LTD.

President: Kazue Kato

Head Office: 4, Ginza 3-chome, Chuo-ku, Tokyo

Branches: Osaka, Nagoya, Fukuoka, Sapporo, Sendai, Hiroshima,
Yokohama, Niigata, Takamatsu, Okinawa

The company's business turnover has been growing term after term in the past years. In the semi-annual term closing with May, 1957, sales turnover added up to ¥13,247 million, of which building comprised ¥8,381 million or 63% and civil engineering ¥4,866 million or 37%. Important works executed by the company since the war's end are: dams at Ogochi and Ikari, subways in Tokyo and Osaka, large buildings (the Supreme Court, the Welfare Annuity Hospital, and the Daimaru Department Store at Hakata) and thermal power plants at Nagoya and Tsurumi. Kyushu Electric Power's Kamishiiba Dam, the first arch type dam in Japan, has also been constructed by the company.

Important construction contracts signed in the past term (Dec. 1956 to May 1957) include, among others, Electric Power Development's Tadami Water Power Plant, Tohoku Electric Power's Sendai Thermal Power Plant, Chubu Electric Power's Nagoya Thermal Power Plant, the Marunouchi Subway Line, Hitachi's Tochigi Plant, Jujo Paper Mfg.'s Yashiro Plant and Yawata Iron & Steel's Tobata Plant.

12. KAJIMA KENSETSU'S BUSINESS RESULTS

(In million yen)

Term Ending	Sales Turnover	Profit	Profit Rate, %	Dividend Rate, %
Nov., 1954	7,477	104	84	20
May, 1955	7,789	207	166	60
Nov., 1955	8,172	172	93	20
May, 1956	10,809	286	143	50
Nov., 1956	10,648	351	125	40
May, 1957	13,247	402	108	30

Obayashi Gumi

Established in 1892, the company is relatively a newcomer in this business, but it now ranks among the big five group, including Shimizu Kensetsu, Kajima Kensetsu, Taisei Kensetsu and Takenaka Komuten. At first it was managed by the late Mr. Yoshigoro Obayashi as his personal business, and later on it was reorganized into a limited partnership.

In the first decade of the current century, it successfully completed such well-known works as the Tokyo Station and the Ikoma Tunnel. With the First World War as a turning point, it expanded its business remarkably and again reorganized itself into a joint stock company in 1919.

Capitalized at ¥1,200 million, the company now has nearly 2,300 employees on its payroll. Its annual business (works executed) amounts to well over ¥20,000 million. In the half-year term closing with March, 1957, works completed added up to ¥12,651 million, of which ¥10,469 million was for building and ¥2,182 million for civil engineering. It is seen that the company is concentrating its efforts on building trade.

The company's equipment list as of March, 1957, includes: 45 excavators, 3 graders, 5 tractors, 34 bulldozers, 95 power rollers, 22 locomotives, 171 trucks, 384 concrete mixers, 37 pile drivers, and 18 movable cranes.

Important construction works finished by the company since the war's end are: NHK New Building, Tokyo Railway Building, Sanwa Bank's head-office,

Kansai Electric Power's Himeji Thermal Power Plant, Kureha Spinning's Suzuka Plant, Toyo Spinning's Hamamatsu Plant, Ashio Dam in Tochigi Pref., Chitose Airport in Hokkaido, Defense Agency Building, Kanto Telecommunication Hospital, Mainichi Osaka Building, Kagawa Prefectural Government Building and Miwa Dam in Nagano Pref.

13. OBAYASHI GUMI'S BUSINESS RESULTS

(In million yen)

Business Term Ending	Sales Turnover	Profit	Profit Rate, %	Dividend Rate, %
Sept., 1954	10,133	192	128	20
Mar., 1955	8,839	161	107	15
Sept., 1955	8,224	173	115	15
Mar., 1956	8,840	191	128	15
Sept., 1956	10,785	256	128	20
Mar., 1957	12,651	352	117	20

Takenaka Komuten

The Takenaka started business as builders of Shinto shrines and Buddhist temples as early as in the Keicho era (1597-1615). It was in 1909, however, that Takenaka Komuten was established as a partnership. And it was reshuffled into a joint stock company in 1937.

Its head-office located in Osaka, the company is carrying out more business in the southwestern part than in the northeastern part of Japan. It has branches at Tokyo, Sendai, Nagoya, Hiroshima and Fukuoka, and agencies at Sapporo, Yokohama, Shizuoka, Kyoto, Kobe, Okayama and Takamatsu.

14. TAKENAKA KOMUTEN'S BUSINESS RESULTS

(In million yen)

Year	Works Finished	Profit	Profit Rate, %	Dividend Rate, %
1953	13,821	288	94	20
1954	17,759	401	80	10
1955	17,413	411	82	10
1956	21,885	700	139	20

15. MAJOR CONSTRUCTION WORKS EXECUTED BY TAKENAKA KOMUTEN

Client	Name of Construction	Location	Contract Amount (million yen)	Term of Const- ruction
Tokyo Boeki Kaikan	Tokyo Sangyo Kaikan	Tokyo	882	June '53- Nov. '54
Tokyo Boeki Kaikan	Tokyo Boeki Kaikan Bldg.	Tokyo	1,361	Jan. '56- Aug. '57
Asahi Real Estate ..	Uchisaiwaicho Bldg.	Tokyo	599	Sept. '53- July '55
Sankei Kaikan Bldg.	Sankei Bldg.	Tokyo	1,194	July '53- July '55
Matsuzaka-ya	Matsuzaka-ya Ueno Store's Southern Bldg.	Tokyo	644	Dec. '55- May '57
Asahi Shimbun	Tokyo Head-office Bldg.	Tokyo	1,617	June '56- May '58
Mainichi Nagoya Kaikan	Mainichi Nagoya Kaikan	Nagoya	1,488	Sept. '53- Nov. '56
Asahi Bldg.	Shin Asahi Bldg.	Osaka	3,200	Aug. '56- Mar. '58
Keihanshin Kyuko Railway	Hankyu Bldg.	Osaka	841	Feb. '56- May '57
Kansai Electric Power	Head-office Bldg.	Osaka	2,000	June '57- July '59

Along with the steady expansion of its business, the company has rapidly boosted its capital in the past years: i.e. from ¥300 million as of February, 1953, ¥500 million in December, 1953, ¥600 million in December, 1956, and to ¥700 million in February, 1957. The company, however, has not yet offered its shares to general investors, most of its shares being held by the Takenakas. Its employees number nearly 3,000. Accounts are settled only once a year, and the annual execution of works is estimated at upwards of ¥20,000 million.

Hazama Gumi

Though established as a private business in 1889, this firm was incorporated as a limited partnership in 1917, which in its turn was reorganized into a joint stock company in 1930. In January, 1957, it increased its capital to ¥180 million.

Its head-office located in Tokyo, the company operates branches in such cities as Sendai, Nagoya, Osaka and Fukuoka. At the end of March, 1957, it had the following machines and equipment: i.e. 28 power shovels, 19 excavators, 56 bulldozers, 80 trucks, 160 dumptrucks, 20 internal combustion engines, 25 battery locomotives, 18 assorted cranes, 40 road rollers, 89 crushers, 249 concrete mixers, 186 air compressors, 2,319 electric motors, 1,059 transformers and 31 generators.

The company makes it a rule to settle its accounts once a year in the last month. In the past years, its sales and profits have been climbing up markedly, reaching ¥10,997 million and ¥183 million, respectively, in 1956 (see Table 16).

16. HAZAMA GUMI'S BUSINESS RESULTS
(In million yen)

Year	Sales Turnover	Profit	Profit Rate, %	Dividend Rate, %
1953	4,212	21	174	15
1954	7,500	35	291	15
1955	9,791	82	685	15
1956	10,997	183	1,528	15

Before the war, the company successfully constructed a 700,000-KW water power station on the Yalu River from 1936 through 1942. Since the war's end, it has again constructed a number of power plants, including the Maruyama Water Power Station (dam height at 88 meters and dam length at 240 meters) and the Sakuma Water Power Station (see Table 17). The latter is the biggest hydro-electric plant in Japan with the dam height and length at 150 and 294 meters), respectively. This monumental project was carried out in a matter of three years from April, 1953, through April, 1956. In the same year, Tokyo Electric Power's Chiba Thermal Power Station was also completed.

17. POWER PLANTS CONSTRUCTED BY HAZAMA GUMI

Owner	Name of Power Plant	Output (1,000 KW)	Term of Construction
Kansai Electric Power	..Maruyama Water Power St.	125	1951-54
Kyushu Electric Power	..Kamishiiba Water Power St.	80	1952-54
Electric Power Develop.	..Sakuma Water Power St.	350	1953-56
Chubu Electric Power	..Oigawa Water Power St.	68	1954-57
Kansai Electric Power	..Tanagawa Thermal Power St.	150	1954-56
"	..Hatogawa Water Power St.	40	1954-57
Tokyo Electric Power	..Chiba Thermal Power St.	625	1955-56
National Railways	.....Kawasaki Thermal Power St.	60	1956-57
Kansai Electric Power	..Kurobe Fourth Water Power St.	258	1956-61

Note: The last named plant is still under construction.

Kumagai Gumi

This company was inaugurated as a private enterprise in 1902 and reorganized into a joint stock firm in 1938. It is capitalized at ¥400 million and has 1,247 staffs, including 950 architects, civil engineers and machinists.

It has a head-office at Fukui City, branches at Tokyo, Nagoya, Osaka, Hiroshima, Fukuoka and Sapporo, and 17 local offices at other cities. Its machines and equipment include, among others, 3

dredgers, 47 excavators, 10 scrapers, 4 graders, 23 power rollers, 5 asphalt plants, 5 tractors, 86 locomotives, 172 dump-trucks, 87 ordinary trucks, 381 concrete mixers, 214 air compressors, 2,425 engines, and 749 power pumps. As may be noted in this list of equipment, the company almost specializes in civil engineering works. Of the total works in 1955 and 1956, civil engineering comprised as much as 83% and architecture only 17%.

18. KUMAGAI GUMI'S CONSTRUCTION WORKS EXECUTED
(In million yen)

Business Year	Client	Building	Civil Eng.	Total
1955	Government	588	2,953	3,541
	Private	914	4,401	5,316
	Total	1,502	7,355	8,857
1956	Government	263	2,780	3,042
	Private	1,337	5,287	6,625
	Total	1,600	8,067	9,668

19. MAJOR WORKS EXECUTED OR UNDER CONSTRUCTION
BY KUMAGAI GUMI

Client	Name of Construction	Location	Contract Amount (million yen)	Term of Constr- uction
Electric Power Development	{ Akiba Power Sta- tion No. 1 Area	Shizuoka	7,619	Nov. '54- July '58
Fukui Pref. Govt. ..	Sasaogawa Dam	Fukui	527	Apr. '55- Dec. '57
Miyazaki Pref. Govt.	Aya First Power Station	Miyazaki	589	Nov. '55- Mar. '58
Hyogo Pref. Govt. ..	Hikihara Dam,	Hyogo	801	Dec. '55- Mar. '58
Kansai Electric Power	{ Kurobe Fourth Power Station No. 3 Area	Nagano, Toyama	1,452	July '56- July '60
Electric Power Development	{ Komatsu Second Power Station	Gumma	829	Nov. '56- Dec. '58
Ministry of Construction	{ Aimata Dam	Gumma	523	Dec. '56- Aug. '58
Hokuriku Electric Power	{ Tomita Power Station & Kabekura Power Station	Fukui	1,423	Apr. '57- Sept. '58

Toda Gumi

This company has a main office in Tokyo; branches in Osaka, Sapporo, Sendai, Nagoya, Hiroshima and Fukuoka; and 48 local offices in other cities. Its employees number about 1,300.

In the half-year term closing with March, 1956, the company executed ¥9,013 million worth of works, of which buildings accounted for by far the biggest portion of ¥7,903 million, civil engineering for ¥703 million, electric engineering for ¥166 million, and tubing for ¥240 million.

20. TODA GUMI'S BUSINESS RESULTS
(In million yen)

Business Term Ending	Sales Turnover	Profit	Profit Rate, %	Dividend Rate, %
Oct., 1953	1,731	69	276	20
Apr., 1954	2,185	52	211	20
Apr., 1955	5,410	153	309	20
Mar., 1956	7,092	251	431	20
Mar., 1957	9,013	318	297	20

Among a number of works completed by the company since 1951, the most important are: Osaka welfare Annuity Hospital (the contract amount at ¥416 million), Nippon Kokan's Kawasaki Blooming Plant (¥354 million), the second stage works of Tokyo Metropolitan Government Building ¥566 million), Nippon Teppan's Shimaya Plant (¥580 million), Hokkaido University Hospital (¥378 million), Kyushu Welfare Annuity Hospital (¥302 million), National Osaka Hospital (¥279 million), and the fourth stage works of Seibu Department Store (¥400 million).

Nishimatsu Kensetsu

Started as a private business in 1874 and re-organized as a limited partnership in 1929, this firm was incorporated into a joint stock company in 1937. Prior to the Second World War, it had already advanced into Korea and Manchuria. With the war's outburst, it boldly expanded its business activities far into Hainan Island, French Indo-China, Thailand, Sumatra, etc. Major projects completed abroad were: Two big dams on the Yalu River, Korean Nitrogenous Fertilizer's Konan Plant, and a railway for iron ore transport on Hainan Island. Asahi Kasei's Nobeoka Plant was one of the important works executed at home.

Since the war's end, the company has been concentrating its business efforts upon works ordered by the Occupation forces, electric power development projects, irrigation and flood control works. Its annual execution of works has been increasing in rapid tempo, exceeding the ¥10,000-million mark at present. It now is capitalized at ¥300 million, and has about 1,200 regular employees and 16,000 workers on its payroll.

The company widely differs from other contractors in that civil engineering (railways, water power plants, irrigation works, etc.) constitutes part and parcel of its business. From April, 1956, through March, 1957, for instance, the total works executed amounted to ¥9,601 million, of which civil engineering comprised ¥7,099 million and building only ¥2,502 million. It is noteworthy, moreover, that of the total for civil engineering, government agencies accounted for as much as ¥5,457 million and private interests for ¥1,642 million.

Postwar important works completed by the company are: dams on the Matsuo, the Kuma and other rivers, a water tunnel on the Shinano River, the Kammon National Road Tunnel, and the Otsuka-Sugamo subway in Tokyo. Airfields and military bases at home and on Iwojima and Okinawa have also been built for the American forces.

21. NISHIMATSU KENSETSU'S BUSINESS RESULTS

(In million yen)

Business Year (Ending with Mar.)	Sales Turnover	Profit	Dividend Rate, %	Dividend Rate, %
1954	5,933	127	93	22
1955	7,697	154	69	17
1956	7,498	168	56	17
1957	9,601	212	70	22

Sato Kogyo

Its head-office located at Toyama City on the Japan Sea coast, The company has branches and agencies at Osaka, Nagoya, Sapporo, Toyama and other cities, with its 822 staffs, including about 500 engineers and architects.

The company now is equipped with 44 excavators, 10 power rollers, 30 bulldozers, 53 locomotives, 33 trucks, 1340 motors, 430 pumps, 129 concrete mixers and 11 special cars (including dump-trucks). It is undertaking more civil engineering works, especially those ordered by government authorities, than architectural works.

22. SATO KOGYO'S CONSTRUCTION WORKS EXECUTED

(In million yen)

Year	Client	Building	Civil Eng.	Total (includ. others)
1955	Government	698	1,007	1,800
	Private	287	1,721	2,027
	Total	985	2,728	3,827
1956	Government	785	446	1,230
	Private	405	1,241	1,646
	Total	1,190	1,687	2,877

23. MAJOR WORKS UNDER CONSTRUCTION BY SATO KOGYO

Client	Name of Construction	Contract Amount (million yen)	Date of Commence- ment
National Railways..	Toyama Marshalling Field	362	Jan., 1955
Hokuriku Electric Power	Wadagawa Water Power Station	1,521	Sept., 1955
Kansai Electric Power	Kurobe Fourth Water Power Station	1,888	Aug., 1956
Mie Pref. Govt. ..	Miyakawa Second Water Power Station	310	Sept., 1956
Showa Oil	Yokkaichi Oil Refinery	208	Nov., 1956
Daiichi Bussan	Asakusa Shin Sekai Bldg.	351	Aug., 1950

Tobishima Doboku

This firm, founded in 1883, was reorganized into a ¥3-million joint stock company in 1947. Boosted eight times since that time, its capital now stands at ¥120 million. Together with Sato Kogyo, it is one of the general contractors of medium standing. Its head-office in Tokyo, it has branches at Sapporo, Sendai, Fukui, Nagoya and Osaka with 658 staffs. Its list of equipment includes: 8 excavators, 7 power rollers, 43 dump-trucks, 40 ordinary trucks, 105 concrete mixers, 91 air compressors, 887 engines, and 298 power pumps. In 1956, it completed ¥300 million worth of construction works. Of these, power development and other civil engineering works, particularly those ordered by government agencies, accounted for a very large portion.

24. TOBISHIMA DOBOKU'S CONSTRUCTION WORKS EXECUTED

Business Year	Client	Building	Civil Eng.	Total (includ. others)
Apr., '55-Mar., '56....	Government	159	1,047	1,206
	Private	90	610	699
	Total	248	1,657	1,905
Apr., '56-Mar., '57....	Government	19	1,603	1,623
	Private	140	865	1,005
	Total	159	2,468	2,627

25. MAJOR CONSTRUCTION WORKS EXECUTED BY TOBISHIMA DOBOKU

Client	Name of Construction	Location	Contract Amount (million yen)	Term of Constr- uction
Chubu Electric Power	Himekawa Third Water Power Station	Nagano	226	Aug. '53- Sept. '55
National Railways ..	Re-laying of Iida Line near Sakuma Dam	Shizuoka	338	Dec. '53- Aug. '55
Mie Pref. Govt.	Miyakawa First Water Power Station	Mie	472	Feb. '54- Jan. '57
Kansai Electric Power	Tanakawa Water Power Station	Osaka	204	July '54- Oct. '56
Hokkaido Electric Power	Kamiiwamatsu Water Power Station	Hokkaido	651	Sept. '54- Oct. '56
Electric Power Development	Okutadami Road	Niigata	551	Dec. '54- Aug. '57
Kansai Electric Power	Sakashita Power Station No. 2 Area	Gifu	1,015	Dec. '55- May '58
Iwate Pref. Govt. ..	Tanzawagawa Second Power Station	Iwate	213	June '56- Dec. '57
Hokkaido Electric Power	Iwachishi Power Station No. 2 Area	Hokkaido	283	Sept. '57- Sept. '58
Nagano Pref. Govt. ..	Haruchika Power Station No. 2 Area on the Tenryu	Nagano	267	Nov. '56- Mar. '58

Note: The last four works still remain to be completed.

Reparation and Economic Cooperation

By Kichihei Hara

REPARATION agreements were signed with Burma late in 1954, and with the Republic of the Philippines last year. Currently, negotiations are under way with the Indonesian Republic, and the signing of an agreement will doubtless take place in the near future.

As for the arrangements already made with the Philippines and Burma, the portion comprising straight reparation in cash or in kind appears to be working out relatively smoothly. On the other hand, the economic cooperation entailed (an economic development loan in the case of the Philippines) is not making satisfactory headway in either case.

Assuming the loan to the Philippines is being worked upon, what has happened to the economic cooperation with Burma? Judging from the experience of the writer, who participated in negotiations with the Burmese Government for about a year in connection with the establishment of a cotton mill to be operated as a joint venture of the Burmese Government and Japanese interests, the difficulties now impeding smooth implementation of the proposed cooperation appear to be those cited below; and some suggestions are offered for the solution of the problem.

Difficulties Sourced in the Recipient Nation

Among the special characteristics of the various countries of Southeast Asia, which won their independence after World War II, are such things as strong nationalistic sentiment, strong distrust of the Japanese, political instability, economic instability resulting from chronic inflation, and lack of foreign exchange. All these constitute hazards when considering economic cooperation with these newly resurgent nations. Moreover, there is the tendency to confound straight reparation with the accompanying economic cooperation so that a considerable gap appears between stand of the Government officials concerned and the Japanese business representatives who, when proposing a joint venture, think in terms of reasonable returns on investment on a purely commercial basis. In the case of Burma, the fact that the present Government supports the socialistic system makes it all the more difficult to adjust the differences of view-point.

It goes without saying that none of the difficulties mentioned above can be eliminated overnight; while such things as chronic inflation and political instability are internal matters that cannot be dealt with in any direct way by outsiders.

Nevertheless, as businessmen, we feel dutybound, whenever the opportunity presents itself, to indicate in cooperation with our diplomatic officials stationed in these countries the sincerity with which Japan

offers economic cooperation in an effort to remove the misunderstandings. It is also necessary to explain with patience and objectivity the fact that the promotion of manufacturing and the achievement of a higher degree of industrialization and a higher level of national wealth leads ultimately, regardless of the system of government, to both economic and political stability.

At the same time, the Japanese Government should see to it that no carpet-bagger is permitted to venture forth; while those business interests that have succeeded in making joint venture arrangements should proceed with the utmost caution to prevent even the slightest mutual misunderstanding that might cause embarrassment to subsequent arrivals. Private business must participate in economic cooperation with sincerity and responsibility, and must see to it that any venture undertaken turns out to be a business success. It is essential, while offering aid through economic cooperation, to create real faith in the Japanese businessman.

Difficulties Sourced in Japan

Turning next to those matters to which we in

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THE ORIENTAL ECONOMIST

Kaleidoscope

Three Bumper Crops in a Row:—It is now conclusive that 1957 is going to be the second biggest rice crop year in Japan's agricultural history. On November 5, the Ministry of Agriculture & Forestry made public its third and final estimate of this year's rice harvest. According to the report, the total rice crop this year will reach 75,715,000 *koku*, a 6% increase over the average year. The Ministry attributes this agricultural triumph mostly to the rapid advance of Japan's agricultural techniques (improvement of land, increase of fertilizer use, advance in agricultural chemicals, and high mechanization of agricultural tools and equipments). This is not just a bumper crop sent from heaven, but a triumph of human efforts, the Ministry maintains proudly.

Investment Loans:—Investment loans are marking time for the first time in many months. According to the Bank of Japan survey of loans activities of all banks, investment loans grew by ¥194.1 billion during the Apr.-Sept term, a 28% increase over the same term last year. However, when compared to the growth in the previous (Sept., '56-Mar., '57) term, the increase is somewhat less. Loans amounts by industries follow: Shipping, ¥22.8 billion; iron & steel, ¥9.8 billion; electricity, ¥7.3 billion. coal, ¥2.7 billion. These key industries shared 43% of the total loans between them. Another noteworthy fact is that while such rising industries as oil and coal products, transportation equipments, paper & pulp, chemicals and electric machinery took the lion's share, such industries as foodstuffs and retail & wholesale suffered considerable downgrading in the ranks of borrowers. Of the total loans, ¥172.4 billion (89%) went into construction of new facilities, while the remaining ¥21.6 billion (11%) was used in repairing works.

Foreign Exchange Holdings:—The real foreign exchange holdings as of the end of September stood at only \$278 million. There should be no space for optimism. Thus opined Finance Minister N. Ichimada at a Congressional hearing on November 5. On the surface count, the money-pinching Ichimada continued, Japan is supposed to have \$875 million worth of foreign exchange as of the end of September. However, if the unrecoverable credit to Indonesia amounting to \$271 million and borrowings from overseas including \$125 million from IMF are duly deducted, the real foreign exchange holdings will dwindle to the meager figure mentioned above.

Instalment Sales:—A gross 70% of all sales conducted by Tokyo durable goods retailers is on instalment plan, while 80% of all Tokyo retailers accept instalment buying. This is the conclusion reached by Tokyo Chamber of Commerce, which has been conducting an extensive survey of this matter. In detail, 255 stores (79%) out of 324 stores surveyed are accepting instalment sales. By type of business, all dealers in automobiles, cash registers and all department stores welcome instalment sales, while dealers in bicycles (92%), electric equipments (88%), musical instruments (80%), sewing machines (79%), cameras (38%) and agricultural equipments (25%) partially accept instalment buying.

Self-Defense Jets:—Japan's Air Self-Defense Force now has 220 F86F jet planes, of which 58 are now in repair. This figure is disclosed at a Congressional hearing on November 11. The air force also has 55 top-notch jet pilots and is now training another 44. By the end of this year, the number of trainees will reach 108. Thus the number of surplus planes will be some 60 at the end of this year, some 50 by the end of 1958,

some 14 by the end of 1959. By the end of 1960, the number of trained pilots will catch up with that of their mounts. The production of F86F is scheduled to end in 1959, so it is a matter of extreme urgency what type of supersonic jet planes should take the place of the outgoing F86F thereafter.

Nine Power Companies:—Abundant supply of water in the first half (Apr.-Sept.) of 1957 has been the greatest booster in the considerable profit growth of nine power companies. Combined net profits of the nine companies in their first half reached sizable ¥4,967 million. If the "dry season reserve" of ¥4,279 million is added, the figure will reach an unexpected amount of ¥9,246 million. Earnings by companies follow (in ¥ million)

Name of Companies	Total Earnings	Net Profits (A)	Dry Season Reserve (B)	A+B	Dividend Reserve
Hokkaido ..	6,676	300	—	300	270
Tohoku	14,477	646	385	1,031	600
Tokyo.....	37,591	859	850	1,709	788
Chubu.....	21,082	774	1,139	1,913	720
Hokuriku ..	8,140	427	441	868	450
Kansai.....	32,780	936	1,200	2,136	811
Chugoku....	12,284	366	—	366	328
Shikoku	5,971	176	264	440	162
Kyushu	18,681	483	—	483	430
Total		4,967	4,279	9,246	4,560

Iron & Steel Companies:—One of the salient characteristics of iron & steel business results for the Apr.-Sept. term is that while the small and medium sized iron & steel dealers plunged into depression owing to the weakening market, the big makers registered highest possible earnings thanks mostly to hiked iron & steel materials and products. Following is the business results of the three biggest iron & steel makers in Japan. Figures in parentheses represent the previous term results.

	Total sales (in ¥ 100 million)	Profits (in ¥ million)	Dividend (Annual %)
Yawata Iron & Steel ..	745 (688)	3,515 (3,271)	12
Fuji Iron & Steel.....	561 (523)	3,204 (3,013)	12
Japan Steel & Tube....	463 (477)	2,761 (2,417)	13

National Income:—Japan's national Income in 1956 increased by 14% over 1955, with actual figures jumping from ¥6,741.1 billion in 1955 to ¥6,685.5 in 1956. This is the happy conclusion reached by the usually grim-faced Economic Planning Board. This means every Japanese, man, woman and child, gained ¥85,205 in 1956 against ¥75,537 in 1955.

Veterans' Pensions:—The Special Pension Study Commission tendered its opinions to the Government on November 15. Major items of counsel are: 1) comparatively lower rate of pension (compared with the civilian) paid to veterans' bereaved families should be rectified; 2) the current average ¥12,000 pension to a veteran should be raised to average ¥15,000; 3) pensions for the wounded, especially the seriously-wounded, should be raised; 4) the new system, if approved should be retroactive; 5) a new pension for non-soldier recruits (for example, the popular student laborers in the war time) should be newly established.

Atomic Cancer:—There has recently been an unusual rise in the number of deaths from cancer among people who were exposed to atomic radiation during the Hiroshima holocaust. As of November 20, the total number of atomic cancer deaths stood at thirty-two. Hiroshima Hospital for the Atomic Diseases revealed that the skin of the person who has keloids is prone to cancer attacks, as it is always stretched all over because of the burns.

Glimpses of Japanese Culture

Journalism in Japan

By Takeo Takagi

ILYA Erhenburg, the Russian novelist who came to Japan last April, expressed surprise at the huge circulation of daily newspapers in Japan.

"There are few illiterates in Japan," he noted. "The circulation of the 186 daily papers is amazingly wide with 35 million copies sold per day. The morning edition of the *Asahi* alone sells six million copies per day, while the evening edition of the same paper is selling at the rate of 2.7 million a day. The subscribers to the *Mainichi*, the *Asahi's* nearest rival, total almost 4.5 million for the morning edition and three million for the evening edition."

Many things surprise foreigners who come to Japan, but seldom as much as the astounding variety of activities of Japan's newspaper companies.

George Duhamel is another foreign visitor who expressed surprise at this peculiarly Japanese phenomenon of newspaper companies intruding into almost every sphere of everyday activities. The French novelist came to Japan at the invitation of the *Yomiuri*, the third member of Japan's newspaper triumvirate. Mr. Duhamel, who had believed that such cultural activities as inviting a foreign artist was conducted by the Foreign Ministry or related government offices, blurted out in surprise: "In European countries—at least in the European countries which I know—the Ministry of Foreign Affairs or the Ministry of Education will handle international cultural intercourse. Here in Japan a mere newspaper company tackles such difficult problems. It amazes me."

Amazing Variety of Newspaper Activities

To the Japanese, especially those who work for the press, this is not surprising. Japan's newspaper companies, backed by millions of readers and subscribers, are currently engaged in a wide variety of cultural undertakings which, in most nations, are handled by government agencies. In fact, the understanding and appreciation of cultural subjects is far more developed in the Japanese newspaperman than in the government official or diplomat. Moreover, newspaper companies, with their vast financial power, can act much more swiftly and decisively in cultural undertakings than the red-tape-festered government agencies.

Thus, Japanese journalism has come to possess a vast magic power with the general public. When a newspaper devotes elaborate attention to some artist—say Picasso or Matisse—and announces preparations for a showing of his works, a pre-dawn queue of people often await the opening day display. It is the same with the Russian ballet, musical performances, or any other cultural subject. Theaters are jammed to capacity if journalists have a kind word for the show. Thus, backed by its vast resources, control over publicity and ideal media for persuading readers and listeners, Japan's journalism has been successful in most of Japan's cultural fields.

Japan's major newspapers own professional baseball teams. The *Mainichi* is represented in the Pacific League by the Mainichi Orions, while the *Yomiuri* and the *Chubu Nippon* have the Yomiuri Giants and the Chunichi Dragons respectively in the Central League. All of these teams are very strong and it is not unusual for one of the three to win the all-Japan championship. If the newspaper fields a weak team, it can actually be a drawback since the general public is apt to consider some newspaper inferior simply because its ball team is not on par with the others.

Japan's newspapers are taking part in the International Geophysical Year in which scientists the world over are pooling their knowledge about the earth. The *Asahi* made an outlay

of ¥100,000,000 and sent its reporters, cameramen, and flyers in company planes to the South Pole with Japanese scientists. The power of the *Asahi* is such that probably every Japanese of school age and upwards experienced nerve-wracking anxiety as the polar expedition neared the Prince Harald Coast in the South Pole.

Nowhere else in the world did the general public of a nation show such enthusiasm towards this purely scientific undertaking. And this was possible only by virtue of the vast power of Japanese journalism. It is not unprobable that some of the people believed the polar expedition was the sole activity of the International Geophysical Year.

As one may gather from the foregoing, Japan's newspaper companies manage almost every undertaking of size in addition to the actual publishing of a newspaper. There is a "Special Events" department in every newspaper company. Such departments are devoted exclusively to the management of all types of activities. Examples abound: art shows represented on a global basis; lecture tours by noted scholars, literary critics, and political commentators; pleasure junkets to historical sites with commentators; boxing matches; marathon races; musical concerts; dancing contests; motion pictures; and, reduced-rate tickets to newspaper-backed circuses.

Recently, the *Asahi*, the *Mainichi*, and the *Yomiuri* combined to set up study groups to observe "man-made" satellites. The tripartite organization recruited university students from all over Japan and grouped them into many regional teams. Space experts were assigned to the groups in order to follow the activities of the man-made moon recently launched by Russia and the one expected to be launched shortly by the United States.

Newspaper companies also initiated private flying in Japan and it was again a newspaper that sponsored the record time around-the-world flight. Japan's newspaper companies have indeed been a Jack of all trades—with no sign of lessening activity in the foreseeable future.

There is a public hall in every major newspaper building devoted to cultural activities. There are some local newspaper which own motion picture houses. It is well known that the recent ECAFE and PEN meetings were held in the Sankei Hall, a private hall owned by the *Sangyo Keizai Shimbun*.

If the time ever comes that the headquarters of the United Nations is shifted to Tokyo, it would come as no surprise to the Japanese people if it were housed in some newspaper building.

DISTRIBUTION OF NEWSPAPER, RADIO AND TELEVISION

Year	Newspaper		Radio		Television No. of Sets
	No. of Copies (In 1,000)	No. of Copies Per Household	No. of Sets (In 1,000)	Percentage Against All Households	
1953	34,231	2.06	11,090	66.9	3,000
1954	34,523	2.09	11,984	72.1	26,000
1955	33,957	1.89	12,770	78.8	77,000
1956	34,633 (23,684)	1.93 (1.30)	13,478	75.1	230,000
1957	35,878 (23,649)	2.00 (1.31)	14,210	79.1	550,000

Source: Japan Newspaper Association for newspaper and NHK for radio and television.

Notes: 1. The figures are as of July, every year. 2. Parenthesized figures in "Newspaper" are those computed with morning and evening editions of the same paper as one set.

A foreign correspondent friend once took me by surprise by remarking:

"Is the *Yomiuri*, for which you work, going to manage a department store now?"

He had to repeat himself before I grasped what the European correspondent meant. The *Yomiuri* recently built a new, large structure in Yurakucho in central Tokyo and contracted with Sogo, one of the largest department store chains in Japan, to lease all the building's space except a television hall. Before the completion of the building, even most Japanese thought the *Yomiuri* would move into the new building with all its staff and equipment. It is not particularly surprising, therefore, that the foreign correspondent should have wondered if it was the *Yomiuri* itself that was preparing to run a department store. This only illustrates how far the uniqueness of a Japanese newspaper firm has imbedded itself even in the foreigners' mind.

Radio and television is another part of newspapers companies' many-sided activities. It was Mr. Matsutaro Shoriki, former president of the *Yomiuri*, who first organized a television company in Japan. When commercial broadcasting stations were first authorized, major newspapers applied for permission to have their own stations. The problem in Tokyo was solved when the three major journals—the *Asahi*, the *Mainichi*, and the *Yomiuri*—finally agreed to combine to set up "Radio Tokyo." The joint effort, however, did not quell the competition. The *Asahi* established "Asahi Broadcasting" in Osaka, while the *Mainichi* countered with "New Japan Broadcasting" in Osaka and, in addition, established "Radio Kyushu" in southern Japan. The radio-TV business in the Chubu (Nagoya) district is monopolized by the *Chubu Nippon Shimbun*; in Hokkaido, by the *Hokkaido Shimbun*. Almost all the other local radio stations are operated by newspapers or their affiliated agencies. This control by newspapers over radio and television will apparently be strengthened rather than weakened in the future, as Communications Minister Kakuei Tanaka is of the opinion that the above two mass communications media can best be handled by newspaper companies.

"Newspaper" News

Newsreels are also produced and handled by newspaper companies. I have never seen a "London Times News" or a "Christain Science Monitor News." But in Japan it is the major newspaper companies that provide the Japanese audience with the latest news on the screen. A Japanese audience is apt to feel somewhat cheated if it does not see "The Asahi News," "The Mainichi News," or "The Yomiuri News" on the screen together with the feature.

Another characteristic of Japanese newspaper companies is the extensive use of aircraft for news gathering. Most major newspaper firms have from five to twenty airplanes or helicopters.

It is only in book publishing that the amazingly versatile newspaper companies have not had resounding success. Each of the four major Tokyo newspapers—the *Asahi*, the *Mainichi*, the *Yomiuri*, and the *Sankei*—has a publishing department which handles all types of publications other than newspaper itself. Contrary to what might be expected, almost all books published by the newspaper companies sell rather poorly compared to those brought out by the standard book publishing houses. And maybe this is for the best. For thanks to this absence of newspaper-published best-sellers, small but enterprising publishing houses are able to carry on a prosperous business beyond the sphere of influence of the newspapers.

On the other hand, the newspapers have had great success in publishing the "Sunday supplements" so popular in the West. These supplements are not, however, included in the price of the Sunday paper as in the United States. Yet, despite the fact that they often compare poorly in quality and size with Western counterparts, these 30 yen supplements have heavy sales.

In historical perspective, Japanese journalism has a curious tradition of initially defying authority and then gradually adapting itself to the role of stool pigeon to the men in power. When Japan began "modernizing" shortly after the Meiji Restoration (1867), it was the newspapers that led the way. Discontented factions, unable to adjust to the new era, banded together and

supported the press where they were able to carry on political resistance by attacking the policies of those in power. In short order, the men in power were able to find a way to avoid the role of scapegoat—by partially clamping down on these newspapers. And, further, they created puppet newspapers to replace the suppressed journals.

The general public, traditionally disposed to cheer those who bark at authority, nourished a new growth of disconsolate seeds. The press, thus encouraged by public support, was able to maintain some degree of freedom until the disastrous nineteen thirties.

It was only after the idea of fascism took decisive hold of the men in power in the mid-thirties that the cry against the army—in power at that time—was completely suppressed. If any newspaper had dared to question the army's policy and authority, the whole of the "Ink Street of Japan" would have crumbled under the massive weight of the soldier's boot.

This was no valid excuse, however, for the collaboration of Japanese journalism with the mad generals and crazy admirals in pursuit of one of the most infamous bloodbaths in human history. By meekly and blindly following the army line, Japanese journalism committed the most unpardonable sin—treachery to the freedom of the press.

Occupation and Japan's Journalism

After the Pacific War, the idea of democracy was revived—or more correctly, it was implanted by the Occupation army into Japanese soil. In theory, freedom of the press was restored to the degree enjoyed in the heyday of Japan's journalism. In truth, however, the shackles imposed by Japan's own army were merely replaced by those of the Occupation authorities. Major Daniel C. Imboden of GHQ, who hailed from some small mid-Western town where he ran a midget newspaper, was virtually the "Emperor of Japanese Journalism" in the Occupation days.

The foremost point in the Occupation-imposed "Press Codes" was that we could not question Occupation policies. But here was the catch: Not only were we forbidden to question Occupation policies in Japan, but also American policies in general.

I had a column called "Editor's Notes" in the *Yomiuri*. One time during the good old Occupation days, I likened the United States to a quack doctor who couldn't distinguish head from tail insofar as its China policy was concerned. Immediately my editor-in-chief was summoned by Major Imboden and given an angry lecture. "I'll get you sent to Okinawa," the major reportedly told the editor, "and keep you at hard work unless you make your subordinates behave." When I heard of this tirade, I felt an itch to poke further fun at the "impotent" Imboden. But the image of our golf-loving editor under the hot Okinawa sun kept me from speaking my piece of mind (which might have been helpful to the United States!). The "White Paper on China," published shortly after by the American State Department, proved the correctness of my views!

Actually, there was no freedom of the press during the Occupation. Japanese newspapermen had to learn from scratch a new way to adapt themselves to the conquering army. Every newspaper had to create new "reporters" whose sole task was ferrying galley copies to and from GHQ for inspection by the Occupation authorities. Not a word could be printed without Occupation sanction. Any mention of the number of fires and the cases of infectious disease was even forbidden. Moreover, VIP's in the big newspapers had to listen to Major Imboden's weekly speeches on journalism. It required Sisyphean patience to sit through those lackluster speeches on democracy by an American midget newspaper owner. If Japan's journalism is today somewhat biased against Americans, it is due in large part to the grave mistakes committed by men like Major Imboden who could only be dubbed "the quack doctor of democracy."

Today, more than half of Japan's non-technical university graduates seek newspaper jobs. I'm sure it's not because they want to carry news copy to and fro as in the Occupation days. What they seek is to be honest, straightforward newspapermen reporting for the benefit of all.

(The writer is a leader writer of the *Yomiuri Shinbun* and a noted commentator.)

Foreign Trade

Japan's financial policy has been sensitive to her accounts with the outside world. When imports went on increasing more rapidly than exports, threatening to drain dry the precious holdings of foreign exchange and leaving a deficit of \$188 million in the balance of payments during January-April, 1957, the Bank of Japan decided to cut the Gordian knot at one blow by raising its discount rate from a little over 7% to nearly 8.5% to be effective from May 8, 1957.

Foreign Exchange Draining Tapered Off

The effect of this step has proved to be decisive so far as the payments situation is concerned. The inordinately rapid growth of imports, reflective of credit inflation for industrial expansion, stopped and the alarming rate of outflow of foreign exchange quickly tapered off. Thus a crisis in the balance of payments during the September-October period which was once feared toward the end of July did not actually come to pass. This was indicated by Finance Minister Hisato Ichimada on October 5 at the Budget Committee of the House of Representatives.

Finance Minister Ichimada stated that Japan's holdings of foreign exchange at the end of September totaled \$875 million. But this includes \$271 million of Japan's due still in arrears in Indonesia, Argentina, and Korea and \$474 million of credits from abroad. Therefore, the real amount of Japan's own foreign exchange at her disposal, even when \$148 million of short-term export bills not yet collected are included, amounted only to \$278 million. The formal

amount of \$875 at the end of September slightly exceeded the \$873 million at the end of June. The excessive outflow of foreign exchange tapered off by August, 1957.

Restrained Imports

The step that staved off a further worsening of the balance of payments by curbing the excessive imports in May has left its impact on almost each of Japan's major import items. The restraint that pervaded the import trade was particularly marked in metal materials and products, cotton and wool. These items were those that showed an explosive expansion in the early part of this year.

In October imports continued to decline as in September. In the customs statistics, imports in October totaled \$306 million, a decrease of \$14 million from September. Payments for import exchange amounted to \$263 million which roughly squared with receipts from export exchange. Thus the balance of foreign exchange for the month of October (including invisibles) became favorable at \$26 million in 11 months since December, 1956. The balance of deferred payments for imports at the end of October declined by \$40 million from the end of September. If this is put into account, the real balance becomes \$66 million.

The amount of import letters of credit which declined month after month since June totaled \$226 million in October, an increase of \$44 million over September. This seems to reflect greater amounts of foreign exchange allocations in September which was at the end of the first half of foreign exchange budget.

On the other hand, export letters of credit in October totaled \$206 million, a considerable increase over the previous month, though below the April-June level. In contrast to the sharp effect on restraining imports, the step taken to tighten credit had little of helpful influence on export trade.

Soviet-Japanese Negotiations

The Soviet-Japanese trade negotiations which started in Tokyo on September 12, 1957, has virtually been brought to terms on a trade payment agreement. Except on one or two points, both parties agreed on a trade treaty and exchange of a trade delegation.

This will be Japan's first trade treaty formally signed by its government with a country of the communist bloc.

Bones of contention in the initial stage of negotiation included: (1) Soviet Russia

proposed to put on the agenda not only a payments agreement, but also a commerce and navigation treaty and an exchange of a trade delegation, whereas Japan insisted to limit the issue to a payments agreement; (2) on the settlement of trade accounts, Soviet Russia proposed an open account system, but Japan insisted cash settlement.

Nevertheless, after Japan conceded on (1), and Soviet Russia conceded on (2), the negotiations proceeded with little friction. The main points on which both parties have come to terms are as follows:

Payments Agreement:—(1) it is to be effective for one year, and the annual total volume of trade is not to be fixed in the agreement; (2) the volume and the value estimated for the main items in the attached list of commodities will not bind each party to these; (3) the settlement of payments is to be done in cash in pound.

Commerce Treaty:—(1) the most favored nation treatment will be accorded each other in trade, tariffs and shipping; (2) on the most favored nation treatment of imports and exports, restrictions may be allowed in case of an adverse payments situation; (3) the treaty is to be effective for five years.

Trade Delegation:—(1) Japan will permit a Soviet trade delegation in Tokyo; (2) up to three persons of the members of the trade delegation will be accorded the diplomat's privileges.

Liberalization of £ Sterling Exchange

The Government took a series of steps to relax the control over £ exchange during the September-October period: (1) the Finance Ministry freed the £ futures market from September 25 and at the same time abolished the £ futures dealings in the special account of foreign exchange fund. Until that time in Japan the £ exchange market had been controlled by the official rate not only for the spots but also for the futures, leaving only 1% fluctuation above or below the fixed rate for spots. The further fluctuations were saved by the buying or selling with the money from the foreign exchange fund special account. This step opened the path for foreign exchange banks and traders to be allowed to determine the £ futures market. On the other hand, the foreign exchange fund special account has ceased to bear risks accompanying the exchange fluctuations, and private exchange banks and traders have taken the burden to bear the risks.

(2) Following the liberalization of the market, the Government allowed hedging

1. FOREIGN EXCHANGE (\$1,000,000)

	Oct., 1957	A	Apr.- Oct., 1957	Apr.- Oct., 1956
Receipts	334	46	2,154	1,919
Exports	262	42	1,631	1,443
Invisibles	72	4	523	486
Special				
procurement ..	43	1	332	350
Payments	308	↔ 35	2,622	1,762
Imports	263	↔ 42	2,270	1,473
Invisibles	45	7	352	289
Balance	26	81	Δ 468	157
Commodity				
trade	Δ 1	84	Δ 639	Δ 40
Invisibles	27	↔ 3	171	197
*Deferred				
payments	↔ 40	34	↔ 176	126
Net balance	66	47	Δ 292	31

Note: * Increase or decrease in the balance.
Δ Adverse.

A: Decrease or increase of Oct., 1957 over the previous month.

Source: Bank of Japan.

of £ futures at overseas markets such as in New York and London from October 25. The hedging, however, is allowed only for the £ in American account within a limited amount set for each foreign exchange bank.

(3) The Finance Ministry further decided to permit foreign exchange banks to sell spot sterling import exchange in excess of the spot sterling export exchange bought, within certain limits, effective from November 2, and also relaxed strict restrictions on foreign exchange loans without securities by foreign exchange banks from foreign banks.

The Finance Ministry explained that liberalization of the £ futures market was carried out by taking the opportunity when the stability of £ is restored by the effort of England, and aired its view that Japan's balance of £ payments was favorable enough to make £ future dealings in balance. But what actually developed in the £ futures market after the liberation showed that the still lingering instability of £ has tended to create an imbalance in which traders try to sell future export exchange but they scarcely wanted to buy exchange for import contracts. The export exchange quotations declined so much as to bring disadvantage to export traders. Worse still, the imbalance made foreign exchange banks unable to buy future export exchange. This situation will rather hinder £ exports when export promotion is required. Therefore, traders and foreign exchange banks strongly expressed their desires that (1) hedging at overseas markets be allowed to replace the foreign exchange special account operation, and (2) restrictions on the amount of holdings of spot exchange be relaxed. The Finance Ministry first hesitated to take these steps for fear of speculations and bad influences on yen financing at home, but it finally had to accept the desires of traders and foreign exchange banks.

Japan-China Trade Negotiations Unsuccessful

Trade talks between Japan and China which started on September 18 in Peking on a non-governmental basis broke off on November 1 after 40-odd days of negotiations without ever coming to an agreement. The negotiations began in order to solve the problems set in the third Japan-China trade agreement of May, 1955 and the Japan-China joint communique of October, 1956 and to conclude the fourth trade agreement. What kept the negotiations from arriving at a conclusion was the difference between China and Japan on the selection of the staff members of the trade delegation to be exchanged. The Chinese side took the stand that "each will decide at its own will the necessary number of members to carry out the mission." The Japanese side, on the other hand, insisted to restrict the number of staff members within 5 (later 7-8).

In the negotiations, however, the Chinese side accepted with little alterations Japanese proposals on the problems of trade settlement and classification of commodities. For example, on the problem of settlement, the

difficulty of concluding payments agreement between central banks was acknowledged and both agreed to conclude correspondence contracts between foreign exchange banks of the two countries for the time being.

On the issue of commodity classification, the Chinese side at the outset insisted to classify commodities into three groups as before, but finally conceded to accept the Japanese proposal that commodities be classified into two groups. Also noteworthy is the fact that throughout the negotiations the Chinese side proposed not only a list of Japanese commodities China wants to import from Japan and a list of commodities China wants to export to Japan, but also the amounts of important supplies she can export on a long-term basis. This has left to many of the members of Japan's trade mission for the negotiations an impression that China has shown a considerable enthusiasm to expand her trade with Japan.

Nevertheless, the failure to reach an agreement on the problem of the formation of the trade delegation to be exchanged has resulted in the prolongation of the absence of trade agreement between China and Japan. For this reason the volume of trade between the two countries is feared to taper off. True, the Japan-China joint communiqué at the break of the negotiations declared that both sides expected that the trade between China and Japan would continue even before the conclusion of the fourth trade agreement. But in the absence of guarantee in the form of a trade agreement for long-term contracts for large quantity of plant equipment, the trade will mostly be limited within short-term small dealings. Also China will demand a balanced trade to square her imports with her exports.

In the recent trade between Japan and China, China has failed to balance her imports with her exports to Japan. To square her imports she still has to export to Japan \$10 million of commodities in the B and C groups alone. Heretofore China demanded Japan to import enough commodities from her in order to restore equilibrium in her trade with Japan as swiftly as feasible. Hereafter she will stiffen her attitude toward Japan in her refusal to buy further unless Japan imports from her enough to keep the balance.

The slackening of trade with China resulting in part from the absence of trade agreement has already appeared. For example, the amount of trade contracts in September according to the Nicchu Yushutsunyu Kumiai (Nicchu Exporters & Importers Association), declined below 40% of the corresponding month of 1956. If this slackening pace continues, the volume of trade in 1957 will shrink from that in 1956. Incidentally, the customs statistics registered a 6% increase in exports and 9% in imports during the January-September period over the previous year.

Japan's Trade with India

The joint communique declared on October 13 by India's premier Nehru and Japan's prime minister Kishi had the fol-

lowing points on the economic cooperation between the two countries.

The trade negotiations now underway are to be concluded as soon as possible. Consultation between experts is to be realized in order to secure iron ore supply from India to Japan and Japan's financial loans to India for importing capital goods from Japan. Japan will help India establish an institute for technical training for developing small Indian enterprises. Japan will extend yen credit to India for financing the supply of capital goods for India.

Japan's trade with India in the past several years shows a steady growth. Exports to India in the exchange statistics totaled \$37 million in 1954, \$67 million in 1955, \$98 million in 1956. Similarly, imports from India in these years amounted to \$32 million, \$46 million, and \$83 million.

The mainstay of Japan's exports to India is composed of iron and steel and machinery. Of the exports totaling \$105 million in the customs entry during 1956, there amounted to \$46 million of iron & steel and \$34 million of machinery.

Major items imported from India include iron ore, scrap iron, cotton, waste cotton, manganese ore, and salt. In particular, India's position as a source of iron ore supply to Japan has been growing.

The advancing industrialization in India has changed the picture of trade with Japan completely. Textiles occupied the main place in the pre-war days. Japan imported cotton from India and exported there cotton fabrics. Now iron & steel and machinery run the show.

Nevertheless, in spite of the steady growth of trade between India and Japan, the fact that Japan is far behind England, the United States, and West Germany in developing trade with India is undeniably apparent. What has retarded Japan include many factors. The greatest of them all is that Japan has been unable to compete successfully with these countries in furnishing India with capital goods that are badly needed in India in her struggle for industrialization. Regrettably Japanese exports have not been quite on a par with the exports of these countries in quality, price, reputation, credit capacity, after-care service, etc.

The absence of any trade agreement and heavy restrictions imposed upon Japanese traders in India have made the slow progress even slower.

Japan took up the question of giving a yen credit to India. This is a stride in her effort to overcome various shortcomings in her trade with India.

The main points of the yen credit scheme under study follow. The amount of credit is about \$30 million, the term is within five years and the interest rate 3 to 4%. The credit is to be put in the Indian deposit in the Export-Import Bank of Japan. The use of the credit is to be determined upon deliberation at the Committee of Economic Cooperation formed by the Japanese and Indian representatives.

Commodity Market

Cotton Goods:—Cotton yarn has been continuing strong since mid-September on the strength of the increasing supply stringency. The rising tempo was accentuated since early October with the October 4 quotation (Osaka Sampin-20s singles) soaring to ¥187 per lb. and 30s singles hiking to ¥218.50. The latter was a gain of some ¥26 from the equivalent price a month ago. With the October 4 high as the peak, however, the market began to take a breather with 20s slipping to ¥209 and 30s dipping to ¥184.90. The sudden upsurge of cotton yarn prices was chiefly due to the possible drop in production resulting from the curtailed imports of raw cotton and the apparent lull in the tight-money situation, coupled with active exports. As those new stimulants were not unconditionally absolute in nature not based on the tangible improvement within the cotton industry itself, a reactionary slip set in from mid-October to rectify the excessive price hike.

Raw Silk:—Raw silk quotations in these few months have been comparatively lethargic as arrivals in the market have been inactive as free transactions between silk reellers and weavers have been subject to restrictions under new arrangements. The quotation for the October delivery, which stood at ¥1,970 as of October, ended the month at ¥1,919 (Oct. 26). Thus, the price has continued to stand below the ¥2,000 mark since mid-July.

Chemical Fibres:—The spun rayon market, which continued stiff from August through early October, began to soften towards mid-October with the price sagging close to the ¥100 mark in mid-November. Principally responsible for the new weakness was the failure of the production curtailment project by spun rayon yarn manufacturers to take effect, as expected, although the continued dullness of the cotton and filament rayon markets and the tight-money impact may be held as additional deterrents. According to the original plan, the monthly production of spun rayon yarn must have been curtailed by about 15-20% as from September. Actually, the production drop due to the curtailment program was extremely small. For instance, the September output totalled 46,000,000 lbs., only a little more than a 6% decline from the August output of 49,240,000 lbs. On the other hand, the price of rayon staple, which stood at around ¥81 per lb. in summer months, began to advance on the strength of production cuts operated by 14 major manufacturers with the October average hiking to ¥84-85 and the November average (for the first three weeks or so) soaring to ¥88-89. Experts believe that the rayon staple price is likely to advance further to the ¥95 mark by the end of the year or in the early part of 1958, thus promising a fair profit for manufacturers. In these circumstances, spinners are being compelled to bear the brunt of the situation. With the price of rayon staple rising, the quotation of spun rayon yarn sagging and the spinning expense estimated at around ¥25-30 per lb., they are sandwiched between two deterrents. The situation is likely to retard the recovery of rayon staple prices and compel the further decline of the spun rayon production. Meanwhile, the Ministry of International Trade & Industry on November 16 announced that the production curtailment rate of spun rayon yarn would be further raised as from December 1, according to the following formula: 1) The sealing rate of spinning machines will be raised from the present 13.5% to 20.0%; 2) The maximum production frames of spun rayon yarn will be individually set for respective companies as from December; and 3) The total monthly production will be restricted to around 40,000,000 lbs.

The filament rayon yarn market, which markedly stiffened in the first half of October due to restrictions imposed on the market sales, started to weaken again from late October through November under the impact of mounting inventories. Stocks of rayon fabrics at major manufacturing centres totalled some 100,000,000 sq. yds. as of mid-November while the City of Fukui, a principal textile centre, held 6,500,000 lbs. of filament yarn in stock. Manufacturers are endeavoring to seek fresh outlets through exports to the Soviet Union and Communist China, but the prices they offer are well below the break-even points at Japanese yarn mills operating the 30% production curtailment from December. Hence, they are attempting to increase the exports of rayon fabrics at more favorable prices, but the recent exports of fabrics have been dull as the sales to Indonesia, a major market, have continued small. Monthly fabrics exports were low at 33,134,000 sq. yds. in August, 33,704,000 sq. yds. in September and 32,566,000 sq. yds. in October. These exports understoodly have been made not at the prices well acceptable by manufacturers at around ¥175-180.

Woollen Yarn:—The worsted yarn market also continued inactive under the impact of increasing inventories estimated at 15,000,000-16,000,000 lbs., or some 10,000,000 lbs. more than the normal level of running stocks. So far, the Government cut of the wool import frame has failed to prove a stimulant to the market, as the production slip due to the smaller wool imports is not bound to become manifest before the New Year. Some of smaller spinners with expanded equipments are even noted to be boosting outputs. So far, the soft market has not affected spinners much as deliveries until January have been contracted at around ¥1,000 per lb., well above the break-even point. It will be after the turn of the year, however, the weakening market begins to trouble spinners and force them to start cutting production sharply.

MAJOR TEXTILE QUOTATIONS

		Cotton Yarn (Osaka)	Rayon Yarn (Osaka)	Spun Rayon Yarn (Osaka)	Woollen Yarn (Nagoya)	Raw Silk (Yokohama)
1957: Mar.	2.....	175.3	216.9	114.5	1,074	2,014
	9.....	175.0	218.0	113.1	1,037	2,050
	16.....	175.9	213.0	113.1	1,012	2,046
	23.....	180.5	200.2	113.8	1,130	2,030
	30.....	185.0	210.9	118.6	1,076	2,069
Apr.	6.....	184.9	213.5	118.5	1,046	2,073
	13.....	188.5	214.9	119.0	1,069	2,080
	20.....	185.2	209.6	117.0	1,056	2,119
	27.....	181.7	197.5	115.2	1,037	2,090
May	4.....	178.0	185.2	114.0	988	2,089
	11.....	176.0	176.1	111.8	950	2,051
	18.....	171.6	170.9	109.5	915	2,030
	25.....	168.1	171.5	109.9	925	2,016
June	1.....	167.8	163.1	110.4	924	1,971
	8.....	165.0	163.0	107.7	892	1,963
	15.....	167.5	164.1	107.9	901	1,981
	22.....	173.0	169.0	108.1	927	1,978
	29.....	177.1	182.0	111.3	940	1,981
July	6.....	172.0	178.9	107.1	871	2,010
	13.....	168.2	176.2	104.1	833	1,988
	20.....	165.0	166.9	99.4	839	2,030
	27.....	163.1	164.6	95.0	889	1,976
Aug.	3.....	172.9	169.9	103.1	921	1,969
	10.....	170.2	166.0	102.0	934	1,964
	17.....	167.1	161.0	100.0	913	1,929
	24.....	160.0	162.8	68.8	901	1,911
	31.....	168.0	166.5	99.8	875	1,927
Sept.	7.....	168.5	173.5	98.6	865	1,953
	14.....	170.5	175.0	101.0	844	1,973
	21.....	176.5	179.8	105.7	875	1,945
	28.....	184.4	179.8	105.7	875	1,960
Oct	5.....	186.0	187.8	111.9	947	1,956
	12.....	182.4	192.9	114.1	935	1,947
	19.....	184.0	184.5	109.5	868	1,929
	26.....	184.9	177.6	102.5	869	1,919
Nov.	2.....	182.6	178.0	106.6	872	1,929
	9.....	182.0	174.9	105.6	867	1,918

Labor

Fujibayashi Proposal Accepted:—Contrary to the general expectation that there would be no major *Sohyo* offensive this fall, the National Railway Workers Union, which had been considered to be too split up internally to stir up any trouble at all, decided to carry on one of the stiffest fight in its history. Its leaders went so far as to declare that the union was quite prepared to disrupt train schedules if necessary to the complete amazement and anger of the general public.

The reason why the railway union took such a drastic about-face in its autumn strategy is manifold. However, the one thing that the union could not tolerate was the suddenly stunning attitude of the Government toward labor activities in general and especially toward government workers. So far it was the unions that usually barked first. In the 1957 version of autumn struggles, however, it was the stiff-fisted Government that went on the warpath first. On July 9, the Government declared that as long as the National Railway Union kept its purged leaders arbitrarily in their former posts, the Government will have nothing to do with the union. The Government likewise refused to carry out its promise to raise workers' pay as far as the union was rebel-ridden. The Government then tried every means to build up the strength of non-unionist workers in case of union sabotages. The Government went so far as to refuse to check off union dues from pay envelope for the union. (Consider what a blow this means to the union! Unionist are not necessarily generous). On September 27, the Government announced its new interpretation of the public workers labor laws and this means that there would be no vagueness about putting any offenders of the laws to gallows without scruple.

Incurring so much humiliation for the first time, the union leaders naturally sought some means—any means now in the eye of the leaders—to save their face. And the only face-saving means known to the union leaders is of course strikes. So strikes they resorted to—with unusual fervour. They risked further splitting of the union for the retention of their falling luster. If the whole strike schedule had been carried out, there would have been no telling what would have resulted.

Seeing a crisis of first magnitude in the *harakiri* resolution of the National Railway Workers Union leaders, Chairman Keizo Fujibayashi of the Public Corporation and Government Enterprise Labor Relations Committee stepped into the scene. In Mr. Fujibayashi's opinion as well as anyone else's, the first step toward solution of the

knotted labor problem was to so condition the both parties to accept the re-opening of the collective bargaining. So Mr. Fujibayashi outlined the following 4-point proposals to both management and labor. 1) The National Railway Union should hold a special conference as soon as possible and try to replace the purged leaders with legal representatives; 2) If there should be any objection to holding a special meeting, the matter should be decided in the earliest regular meeting; 3) As soon as the new union representatives should be chosen, management should accept the union's call for collective bargaining and should relent somewhat in their wage negotiations; 4) Cessation of "check-off" should be carried out after a profound study.

This 4-point proposal met a terribly hard sledding before formally proclaimed as the union objected to the first item, while the management showed unwillingness in regard to the third item in the proposal. After two weeks of tug-of-war, the proposal was formally announced by the Labor Relations Committee on October 25. The National Railway Union accepted the proposal on October 28 as it realized there would be no better offer in the offing. Three days later, management also accepted the proposal, thus virtually ending the bitter struggles.

Third Post-War Seamen Strike:—On October 26, All-Japan Seamen's Union embarked upon its third post-war strike after a five-year period of peace. One of the remarkable things about this strike is the unusually long negotiation period before the actual strike. As early as in March, 1957, the Union tendered its demand to management and the matter was put to the Labor Relations Committee for arbitration in May. As many as forty-five bargainings then ensued and on September 25, a mediation plan was shown to both labor and management. However, the plan was found unsatisfactory to either of the party. The union made much of the following points in their firm stand for wage hikes: 1) the union collaborated with management without any sabotages for three long years; 2) in view of the seamen's working place, which is on the sea, it is only reasonable for them to get somewhat higher wages than their counterparts on the land; 3) the current depression in Japan's shipping circles is by no means permanent. Moreover, the seamen's wage should be considered independent of the movements in shipping charges. Management won't double seamen's wages even if an unprecedented boom may hit the shipping business;

4) one of the union's current demands is the policy of "same reward for same work." This is what management has been harping on for a long time; 5) in every considerable respect, it is by no means exorbitant to ask for a small wage increase now.

Management thereupon countered with the following points: 1) while the Seamen's Union so contrives the whole matter that some may get the impression that there has been no pay raises during the three year period. This is by no means true. Every shipping company carried out 4-6% regular pay boosts during the interim; 2) management is not unwilling to concede that the life of a seaman is different from that of the worker on the land. But the average ¥27,000-28,000 pay for a seaman compares quite favorably with the average ¥20,000 monthly pay for a land worker. Besides this basic pay, about ¥5,000 "food allowance" is accorded to a seaman. This ought to be enough; 3) shipping rates are now at the very bottom; 4) 1955 shipping earnings were just about enough to cover the loss suffered in the previous years. With the 1956 earnings, some companies were able to give a small dividend. If the shipping depression, which started early this year, is going to continue any length of time, shipping companies have again to pass dividend; 5) on top of this, the total shipping debts for international lines is now at a prohibitive ¥180 billion. The union should believe these figures not if their management.

With the negotiations snagged on an unmovable block, the union plunged into the 24-hour strike on October 26. On October 28, the union expanded its strike schedule from the international lines to any freight ships of 2,000 or more tons for 120 hours. Seeing that the management still had no will to negotiate, the union resorted to another 120-hour strike starting on November 2. By dint of this strike, ever-increasing number of ships lay aimlessly at port.

One noteworthy thing about this strike is that the general public, which usually bark at railway and other business strikers, showed deep sympathy for the seamen and the union finally got through their demand on November 2. One important lesson the strike-prone railway workers union or other extremely militant unions can learn from this is that the only way to get wide public support is to show them the complete reasonableness of their stand, not mere empty oratory. The Seamen's Union strike was a fine example of how an adult union should behave in an extreme emergency.

Key to Japanese Firms

Yawata Iron & Steel

Yawata Iron & Steel Co., Ltd. (capitalized at ¥15,000 million) had its start as a second company of the defunct Nippon Iron & Steel Co., Ltd. (commonly known as Nittetsu—the largest steel firm in this country) when the latter firm was dissolved under the provisions of the Excessive Economic Power Decentralization Law. Among other second companies which made debuts with Yawata Iron & Steel are Fuji Iron & Steel, Nittetsu Steamship and Harima Fire-Brick. At the outset, Yawata Iron & Steel was operating only at the Yawata Iron Works which it took over from the defunct mother company, but had a new iron works built at the Hikari City, Yamagata Prefecture in May, 1955 under the name of Hiraki Iron Works. In October, 1956, the Company separated its chemicals department (handling by-product chemicals) which was newly incorporated into an independent firm under the name of Yawata Chemical Industrial. Capitalized at ¥800 million at first, the Company in August, 1951 doubled capital to ¥1,600 million and further increased it to ¥4,800 million in May, 1952. In August, 1955, it grew into a ¥9,600 million concern and the capital was further boosted to ¥15,000 million in January, 1957. The Company is engaged in manufacturing and selling iron and steel products, as well as conducting accessory businesses. In the half-year term ended September, 1957 (April to September, 1957), the total sales of the Company were divided into 93% of iron and steel products, 4% of pig iron (for outside sales) and 3% of by-products. Major products of the Company include: 1) pig iron (inclusive of foundry pig iron and blast furnace pig iron); and 2) iron and steel products (including ordinary and special steel ingots, semi-finished products (including billets, blooms, slabs, sheet bars, tubular materials, hoops, etc.). Among steel products are included rails and accessories thereof, sheet piling, valve plates, round bars, square bars, shapes, equal and unequal angles, wire-rods, plates, medium plates, checkered sheets, cold-rolled blacksheets, hot-rolled sheets, tinplates, electrolytic tinplates, galvanized iron sheets, special finished sheets, silicon steel sheets, silicon steel hoops, bonde sheets, special steel products, etc.

Many and various are the products of Yawata Iron & Steel, and the Company enjoys a unique position in such items as rails, sheet piling, large shapes, tinplates, silicon steel sheets, etc. Since the war's termination, the Company has induced foreign techniques from leading foreign companies. In 1951, it concluded a technical tieup contract with Armco International Corporation relative to the hot-rolling process for silicon steel sheets. With the same company, Yawata also inked a technical assistance deal in 1954 for the erection of a hoop galvanization mill for the manufacture of galvanized iron sheets.

Yawata also erected its additional strip mill for blacksheets coils with the assistance of Armco International in 1951. Other major technical tieups contracted by Yawata Iron & Steel with noted foreign firms include: a tieup contract with Bochumer Eisenhütte Heintzman & Co. for the production of T.H. mining beams in 1955; a tieup deal with Manion Carbide International Co. for the manufacture of blooms for rails and billets in 1955. Relative to the use of the top-blown oxygen converter system, Yawata concluded a contract in 1956 with Nippon Kokan for the latter's technical assistance arrangement with Oesterreichische Alpine Montangesellschaft.

The Yawata Iron Works, the Company's main plant, located in Yawata, Fukuoka Prefecture, covers a total area of 3,370,000 *tsubo* with its mills extending over 496,000 *tsubo* while the Hikari Iron Works, located in Hikari, Yamaguchi Prefecture, occupies the total space of 505,000 *tsubo* including 9,000 *tsubo* for plants. Major equipments at the Yawata Iron Works include 12 blast furnaces (including 7 sets in operation), two 1,000-ton steel furnaces, one 700-ton furnace, two 500-ton furnaces and two 400-ton furnaces. Also in operation are open-hearth furnaces at four steel mills (1st to 4th) and the Ogura cast steel mill. The first steel mill is equipped with one 150-ton open-hearth furnace, one 130-ton open-hearth furnace, and three 100-ton open-hearth furnaces. The second steel mill has nine 60-ton open-hearth furnaces while the third steel mill has one 150-ton open-hearth furnace, two 130-ton open-hearth furnaces and seven 60-ton open-hearth furnaces. Seven 120-ton open-hearth furnaces are operating at the 4th steel mill while the Ogura cast steel mill is equipped with two 20-ton open-hearth furnaces. Rolling equipments at the Yawata Iron Works include two rail mills and two large-shape mills, one medium shape mill and one small shape mill. Five plate mills are also in operation at the Yawata Iron Works including two for thick plates, and one each for medium plates, silicon steel sheets and hot-strip operations. For cold-rolling operations, one mill for high-grade cold-rolled sheets, two cold-rolling strip mills, one electrolytic tinplate mill, one hot-dipped tinplate mill and one galvanized iron sheet mill are kept in operation. At the Hikari Iron Works, a wire-rod mill is in operation. Most of these equipments at the two giant plants of Yawata Iron & Steel have been newly erected or totally rejuvenated in a large-scale equipment rationalization plan. The first project under this rationalization plan was started in 1951 as a three-year scheme and was completed in 1953. Later, changing economic conditions caused minor changes in this original rationalization plan, and a plate mill, included in the first scheme, was completed in 1957, together with a top-blown oxygen furnace. The Company has also drafted a long-term re-

construction program on the basis of the national five-year economic plan contained in the Economic White Paper released by the Government some time ago. Under this long-term plan, the annual production targets in 1963, the last year of the plan, are placed at 3,250,000 tons of pig iron, 4,140,000 tons of steel ingots and 3,430,000 tons of steel products. Under this plan, the plants within the Yawata Iron Works will be reconstructed and rationalized at the total cost of ¥11,300 million, and a pier capable of accommodating 20,000-ton ore transport ships will be constructed in the Tobata area. Also included in the program is the construction of a pig iron mill, a steel mill and a blooming mill to make possible integral production of raw materials and finished products at the total cost of ¥47,300 million. Together with the reconstruction of the Hikari Iron Works, the Company plans to spend some ¥59,600 million for the long-term project.

The sales of the Company for the half-year term ended September, 1957 totalled ¥74,564 million, well eclipsing the sales in the preceding term at ¥68,877 million and setting a new record since the establishment of the firm. During the term under review, the sales of steel products totalled 1,143,000 tons, up some 38,000 tons over the sales in the preceding term, valued at ¥68,977 million, up ¥5,014 million over the preceding term. For the term under review, the Company registered a total profit of ¥3,516 million and gave a 12% dividend. The profit thus registered was after the deduction of ordinary amortization of ¥2,139 million and a special amortization of ¥2,282 million. Meanwhile, Yawata Iron & Steel exported 107,000 tons of steel products during the half-year term ended September, 1957, valued at ¥6,906 million or a gain of ¥1,085 million over the preceding term. The exports during the term under review included 17,581 tons of tinplates (as compared with 13,325 tons in the preceding term), worth ¥1,590 million (¥1,132 million) with Brazil continuing to be a major buyer and Communist China emerging as a new customer. Also on the list of exports in the term under review were 31,926 tons of heavy rails (35,388 tons in the preceding term), worth ¥1,444 million (¥1,505 million) with India as the principal buyer followed by Thailand and the Philippines. The Company in the same term also exported 15,516 tons of steel plates (19,758 tons in the preceding term), worth ¥1,105 million (¥1,253 million) to India, the United Kingdom, Spain and France.

The exports also included 11,940 tons of shapes (as compared with 3,231 tons in the preceding term) valued at ¥669 million (¥177 million), as sales to India sharply increased. Also on the march on the export list were galvanized iron sheets which reached 10,958 tons (as compared with 8,276 tons in the preceding term) valued at ¥908 million (¥880 million), due principally to a comfortable increase in shipments to the Philippines and Iran.

Mitsubishi Real Estate

The origin of Mitsubishi Real Estate (capitalized at ¥2,064 million) dates back to 1890 when the House of Mitsubishi (later of Japan's plutocratic triumvirate) purchased from the Government a spacious lot of 80,000 *tsubo* in Marunouchi, Tokyo (now the civic centre of the metropolis). In 1892, the House of Mitsui started a plan to convert the Marunouchi area into a modern office centre by erecting Western-style incombustible buildings. The management of this office centre together with modern office buildings was placed under charge of the House's real estate department. From the late 1880s until the middle part of the Taisho era (1912-26), therefore, the Marunouchi area was noted for red-brick office buildings constructed by the House of Mitsubishi. Later, in 1937, the real estate department was reorganized into an independent concern under the name of Mitsubishi Real Estate Co., Ltd., the direct predecessor of the present Mitsubishi Real Estate. At the time of its 1937 incorporation, the company had under its control 62,600 *tsubo* of land and 66 buildings covering the total space of 51,878 *tsubo*. Upon the dissolution of the Mitsubishi interests after the war, two new real estate firms (Yowa Real Estate and Kanto Real Estate) were established to take over part of the business of the original Mitsubishi Real Estate. These three real estate companies were eventually merged into a single company under the name of Mitsubishi Real Estate, Ltd. to emerge as the largest real estate enterprise in this country. Details of major buildings owned by Mitsubishi Real Estate and other related data are given in Tables 1 and 2. As noted in the tables, Mitsubishi Real Estate possesses some of the representative office buildings in this country with the total space occupied by these structures well exceeding 100,000 *tsubo*.

1. OFFICE BUILDINGS OWNED BY MITSUBISHI REAL ESTATE

A. Reinforced-concrete structures:		<i>Tsubo</i>
Shin Marunouchi Building.....		19,810
Tokyo Building		18,992
Marunouchi Building		18,388
Eiraku Building		7,549
Mitsubishi Main Building		6,895
Yaesu Building.....		5,383
Other buildings (17)		16,442
Total (23)		93,459
B. Brick buildings (19)		10,000
C. Other buildings (23)		4,176
Grand Total		107,635

Note: *Tsubo* - 3.954 sq. ft.

Source: Mitsubishi Real Estate.

2. LAND OWNED BY MITSUBISHI REAL ESTATE

(In *tsubo*)

At	Occupied by own buildings	Total space of Land
Ohtemachi	3,202	7,088
Marunouchi Ichome ..	4,591	9,838
Marunouchi Nichome ..	14,335	20,436
Marunouchi Sanchoe ..	4,847	12,610
Yurakucho	—	2,627
Takehiracho	1,240	1,240
Shiba-Takanawa		
Minamicho	12,278	12,787
Kitashinagawa	2,547	2,547
Higashi Ryogoku	47	47
Total	43,596	69,220

Source: Mitsubishi Real Estate.

Company is an affiliate of the Mitsubishi interests, its office buildings are occupied by firms not particularly connected with Mitsubishi operations. Whereas the land and buildings owned by Mitsui Real Estate, its closest rival, are occupied largely by Mitsui-affiliated concerns, Mitsubishi-affiliated companies take only about one-third of the total space of land and buildings under charge of Mitsubishi Real Estate. Mitsubishi Real Estate's average daily income from office rents amounts to ¥200 million while the average monthly income from land rents reaches ¥16 million. Thus, office buildings serve as the main source of revenue for the Company. The Company also gets its income from designing of buildings and supervision of construction works.

The Company enjoys two outstanding merits in its business operations—1) the possession of spacious land in the civic centre of the capital city; and 2) the extremely-low book values of land and buildings on its ledgers. For instance, the book value of about 70,000 *tsubo* of land it owns is registered at ¥300 million (or only ¥4,000 per *tsubo*). With land in central districts of Tokyo now valued at about ¥100,000-150,000 per *tsubo*, the latent value of the Company's assets is certainly far larger.

Meanwhile, the buildings covering 1,074 *tsubo* are entered in the book at ¥6,000 million (or less than ¥65,000 per *tsubo*), far lower than the average construction cost now quoted at ¥200,000 per *tsubo* for modern reinforced-concrete buildings. Taking all these elements into consideration, the latent value of the Company's assets is estimated at well over ¥10,000 million. The Company is also well blessed because of a strong support it is able to mobilize from all Mitsubishi-affiliated companies. The Company possesses bulky shares of leading companies on the Mitsubishi lineup. Among key Mitsubishi-related firms with their shares owned by Mitsubishi Real Estate to the extent of over 100,000 shares are: Mitsubishi Bank, Mitsubishi Trust and Banking, Tokyo Marine & Fire Insurance, Mitsubishi Mining, Mitsubishi Mining & Smelting, Mitsubishi Oil, Mitsubishi Shipbuilding, Mitsubishi Nippon Heavy Industries, Mitsubishi Heavy Industries Reorganized, Mitsubishi Electric, Mitsubishi Chemical, Mitsubishi Shipping, Mitsubishi Shoji, and Asahi Glass.

The prospects of Mitsubishi Real Estate are generally considered bright, as a number of new office buildings under its control are due to be completed during 1958 in rapid succession. The first addition to the list of Mitsubishi Real Estate's office buildings is Marunouchi Building III, the largest building in this country covering 33,000 *tsubo* and costing some ¥6,400 million. Ohtemachi Building and Chiyoda Building are the other two giant buildings each covering 15,000 *tsubo*. All these three buildings are scheduled to be completed by the fall of 1958 with Marunouchi Building III in the lead (perhaps by the spring of 1958). Also under contemplation on the 1958 program are the reconstruction of Mitsubishi Naka No. 9 Building and the Marunouchi Branch of the Bank of Tokyo. With all those undertakings completed, the scale of office buildings owned by the Company will be boosted by about 60% during 1958.

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Mitsubishi Real Estate finds its revenue in incomes from land and house rents, particularly office buildings. Although the

Nippon Yusen Kaisha

Nippon Yusen Kaisha, a representative shipping firm in Japan, is renowned the world over for its shipping network commonly known as the "N.Y.K. line." N.Y.K., one of the leading operators of liner services in the world shipping market, was established in October, 1885, through the merger of Yubin Kisen Mitsubishi Kaisha (Mitsubishi Mail) and Kyodo Un-yu Kaisha with a capital of ¥11,000,000. Yubin Kisen Mitsubishi Kaisha was founded in 1870 by the late Yataro Iwasaki, the founder of the House of Mitsubishi. Thus, the history of N.Y.K. actually dates back some 87 years ago. At the time of its inauguration, N.Y.K. had 58 steamships aggregating 64,610 gross tons and 11 sailing boats totalling 4,725 gross tons operating on 13 coastal routes and three lines in neighboring international waters. Of these original routes, the Yokohama-Shanghai line opened in February, 1875, was the first foreign line undertaken by Japan. The Japan-Bombay line opened by N.Y.K. in November, 1893, was the first ocean-going regular route ever inaugurated by this country. In 1896, the Japan-Europe regular service was inaugurated, followed by the opening of the U.S.-Japan and the Japan-Australia liner services in the same year. At the time of the outbreak of World War I, N.Y.K. was operating 13 ocean-going routes and three coastal lines with owned bottoms totalling 97 ships of 441,481 gross tons. For some years immediately after World War I, the worldwide depression compelled the Company to reduce its routes. In 1926, N.Y.K. took over the operation of the San Francisco and South America West Coast passenger liner services through the merger of Toyo Kisen

(Oriental Steamship). During the period from 1926 through 1930, N.Y.K. constructed a number of luxury passenger boats including the Asama Maru, Tatsuta Maru and Chichibu Maru for its San Francisco line, the Hikawa Maru, Hiye Maru and Heian Maru for the Seattle line and the Terukuni Maru and Yasukuni Maru for the Europe line; thus stabilizing its position as a full scale operator of passenger vessels. As of 1941, directly before the outbreak of the Pacific War, N.Y.K. owned 133 ships aggregating 856,597 gross tons, making the company the largest private owner-operator in the world.

However, Company received a heavy blow by the Pacific War, as all of its ships were requisitioned by the Government during the war and some 187 ships aggregating 1,129,918 gross tons, including those built during the War, were lost; At the time of the war's termination, N.Y.K. had only 35 ships totalling 147,663 gross tons. The postwar recovery of the Company was slow, but with the marine transportation returned to private management in April, 1949, N.Y.K. launched upon a large-scale shipbuilding program and part of the funds were acquired by increasing its capital several times. As of October 1, 1957, the Company rebuilt its fleet to 35 ships aggregating 246,003 gross tons (318,394 dead-weight-tons). In the interim, N.Y.K. replaced a number of its superannuated vessels with new superfreighters. Thus, its fleet has been completely rejuvenated, as almost all ships in its ownership are newly-built postwar vessels. Including chartered and managed vessels, the lineup of N.Y.K.'s is as follows:

N.Y.K.'S FLEET
(As of Oct. 1, 1957)

	N.Y.K. Ships		Chartered or managed		Total	
	No.	1,000 d. w. ton	No.	1,000 d. w. ton	No.	1,000 d. w. ton
Freighters:						
Ocean-going liner.....	28	282	20	196	48	478
tramp	2	19	8	85	10	104
Coastal	5	18	12	34	17	52
Tankers:						
Ocean-going	—	—	1	16	1	16
Coastal	—	—	—	—	—	—
Total.....	35	319	41	331	76	650

Source: N.Y.K. for all the tables.

Parallel with the rejuvenation of its fleet, N.Y.K. has continued the re-opening of its regular-service network, and further, its prewar high reputation and reliability in the international shipping market still remains unaffected. In February, 1952, N.Y.K. was admitted to the European Conference. The N.Y.K. network of ocean-going services as of October 1, 1957 is

given in the accompanying table.

The size of the N.Y.K. fleet, however, is still exceptionally small in comparison with the scale of its management. While the Company operated its services solely with its own ships, before the war, the percentage of owned ships operated at present is less than 50%. Hence, the Company is endeavoring to further expand its

N.Y.K. OCEAN-GOING LINER SERVICES
(As of Oct. 1, 1957)

From Japan	No. of voyages completed during the preceding 6 months
New York line.....	12
Seattle-Vancouver line	3
Latin America & Gulf Line.....	6
East Coast of South America Line...	2
West Coast of South America Line ..	6
Pacific Coast of U.S.A./Europe Line..	5
West-Bound Round-The-World Line ..	6
European Line (via Suez)	6
Near East Line.....	8
Australian Line	6
Bombay, Karachi Persian Gulf Line ..	4
Rangoon & Calcutta Line	5
Hongkong & Bangkok Line	6
Formosa Line	9
Okinawa Line	9
Total.....	(15 routes) 93

Note: During the six-month period ended Sept., 1957, 41 ocean-going voyages by tramps were operated by N.Y.K., together with 73 regular voyages and 188 tramp services on the coastal line.
Source: N.Y.K.

bottoms. On the stocks under the N.Y.K. new shipbuilding program at present are two 9,370-ton freight ships (to be completed in May and October, 1958, respectively); one 9,550-gross ton cargo boat (to be completed in July, 1958), one 8,400-gross ton cargo boat (to be completed in July, 1958) and one 20,800-gross ton tanker (to be completed in July, 1959). Under the 14th Government Shipbuilding Program for fiscal 1959, the Company is planning to apply for five high-speed cargo boats.

N.Y.K.'s Offices

- Main Office:
2-20, Marunouchi, Chiyoda-ku, Tokyo.
- Branch Offices:
- Otaru Office:
4-11, Minamihama-machi, Otaru City.
- Yokohama Office:
3-9, Kaigandori, Naka-ku, Yokohama City.
- Nagoya Office:
2-4, Hirokojidor, Naka-ku, Nagoya.
- Osaka Office:
26, Kawaguchi-machi, Nishi-ku, Osaka.
- Kobe Office:
1-10, Kaigandori, Ikuta-ku, Kobe.
- Wakamatsu Office:
1-954, Minamikaigandori, Wakamatsu City.
- London Office:
104/106 Leadenhall St., E.C. 3, London, England.
- New York Office:
24, State St., New York City, N.Y., U.S.A.
- San Francisco Office:
311, California St., San Francisco City, Calif., U.S.A.



N.Y.K. LINE

WORLD WIDE SERVICE



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- WEST COAST OF SOUTH AMERICA LINE
- PACIFIC COAST OF U.S.A./EUROPE LINE
- WEST-BOUND ROUND-THE-WORLD LINE
- EUROPE LINE (Via SUEZ)
- NEAR EAST LINE
- BOMBAY, KARACHI & PERSIAN GULF LINE
- RANGOON & CALCUTTA LINE
- HONGKONG & BANGKOK LINE
- FORMOSA LINE
- OKINAWA LINE

NIPPON YUSEN KAISHA

Tokyo Japan



Head Office

Company Notes

Tsukishima Machinery's New Tieup:

—Tsukishima Machinery Co., one of the oldest manufacturers of chemical machines in Japan, is now ready to embark upon the manufacture of a new-model dryer through a technical tieup contract with General American Transportation Corporation (U.S.) This Japanese firm, established in June, 1917 and now capitalized at ¥120 million, is due to double its capital to ¥240 million as of February 1, 1958. Under the new technical tieup contract, which was formally authorized by the Government under the date of November 5, Tsukishima Machinery Co. will start the production of the Louisville Rotary Steam Tube Dryer. According to the Company, the new dryer is capable of drying chemically-sensitive items by the application of low temperature. With the thermal efficiency as high as 85%, this dryer is fit for the drying process required by newly-rising industries demanding effective drying at low temperature. Although the detailed specifications of the Louisville Rotary Steam Tube Dryer have not been announced by the Company, it is reported that orders for the new dryer have been received by various industrial quarters including petrochemical mills.

Mitsubishi Seiko's New Venture:

—Mitsubishi Seiko, one of the leading manufacturers of cast or forged steel products for shipping in Japan, has concluded a contract on the joint basis with Nippon Seikosho and Kobe Seikosho for a technical tieup with Leybold Hochvakuum Anlagen and Backumer Verein (both of West Germany) for the production of steel ingots through the vacuum ingot manufacturing process. The present contract, now being screened by the Foreign Exchange Council, will be effective for the period of 10 years with Japan as the exclusive marketing area. For the production of steel ingots through this vacuum process, new vacuum ingot manufacturing equipments will be completed in Japan by about February, 1959. Upon the completion of the equipments, Mitsubishi Seiko is scheduled to start the production of steel ingots by the vacuum process at the monthly rate of 60-90 tons. The adoption of the new process is attracting close attention in machinery circles as steel ingots for forging manufactured by this process are high in quality and ideally fit as raw material for forged products. Meanwhile, Mitsubishi Seiko is now carrying out a large scale equipment rationalization program including the erection of new rolling and milling machines at the total cost of ¥1,200 million.

Nippon Petrochemical's 2nd Project:

—Nippon Petrochemical Co., Ltd.

is getting prepared to embark upon the second production plan due to start soon. Under the second plan, the Company will commence manufacturing butadiene and propylene, and is in this connection now conducting negotiations with Stone & Webster Engineering Corporation and Esso Research & Engineering Co. for the induction of their techniques. The second production plan under review is scheduled to be completed in the spring of 1959. According to this plan, the Company will get the supply of 142,450 tons of low-octane (about 46 octane) gasoline a year from Nippon Sekiyu Seisei for the annual production of the following items: gas, 27,836 tons; ethylene, 25,000 tons; butadiene, 5,197 tons; propylene, 19,600 tons; cracked gasoline, 51,250 kls.; and fuel oil (C), 11,600 kls.

Of these new products, the Company is planning to sell ethylene to Showa Yuka, Furukawa Chemical and Asahi-Dow as raw material for manufacturing polyethylene, and also to Nippon Shokubai Kogyo as raw material for making ethylene oxide and ethylene glycol. Methane gas available under the second production plan will be delivered to Showa Fertilizer as raw material for making ammonium sulphate and urea, and to Asahi Kasei Kogyo as material for making fertilizer and compound fibrous materials. Nippon Zeon is the prospective customer for butadiene as raw material for manufacturing synthetic rubber while propylene will be delivered to Nitto Chemical and Asahi Denka. Cracked gasoline (90 octane value) will be returned to Nippon Sekiyu Reisei's Yokohama plant.

Exports of Guronsan:—Chugai Pharmaceutical Co., Ltd. is expanding its exports of Guronsan (an invigorative and detoxicative agent for liver) year after year. Although its markets abroad will still grow greatly, it has already made inroads in the United States, Italy, France and Argentine. President Juzo Uyeno who recently returned from his third trip to the United States and Europe has successfully wound up business contracts with new clients overseas.

In West Germany, Chugai Pharmaceutical has made a technical tie-up with Asta-Werke A.G. In France, four companies (L'Equilibre Biologique S.A., Laboratoires Aron, Delande and Laroche Navirron) will jointly launch a sales campaign for Guronsan and Hydronsan. Other sales contracts are concluded with Laboratorio Ramon Sala of Spain and Synmedic A.G. für Pharmaceutica of Switzerland.

Also contract negotiations are underway with companies in Greece, India and Portugal. The Company hopes to develop its overseas sales to export at least half

the Guronsan it produces.

Toyo Kogyo's 4-Wheelers:—Toyo Kogyo Co., Ltd. is working in full blast toward manufacturing four-wheeled cars. Only technical problems still to be tackled are completion of equipments for manufacturing engines to be placed on the four-wheelers and for final coating of their bodies. The first model of them will probably appear in April, 1958.

At this writing, 3-wheeled 2-ton, 1½-ton and 1-ton trucks with a new design for comfortable seats and steering wheels have been marketed by the Company. The new design is one of the steps now underway for the manufacturing of the four-wheelers. Thus a fierce competition with other manufacturers of four-wheelers is expected soon.

Canon Camera's Synchroreader:—Prof. Hiroshi Hoshino of the Tokyo Institute of Technology has succeeded in making a new type magnetic recorder. Its patent application is underway in various countries of the world. The chief difference between this new recorder and tape-recorders of the previous type lies in the fact that the new recorder is a sheet (about 6×4 inch.) on which the electric head moves to reproduce sound. Its big advantage is that its sheet is much cheaper (about ¥10 a sheet) than tapes and the same recording may be reproduced with as many prints as desired. One sheet records for 15 minutes.

The Canon Camera Co., Ltd. has concluded with Prof. Hoshino a contract that guarantees the Company's monopoly over its manufacturing for three years. Its industrialization may start as early as April, 1958.

Nippon Reizo's Overseas Operations:

—Various activities abroad of Nippon Reizo K.K. take up nearly half its turnover from foreign trade. They include the tuna fishing and canning operations in the U.S. Samoa, the tuna fishing in Brazil, Chile, and Italy.

The business is steadily growing in these operations, though 1957 is only the third year for its Samoan and the second for its Brazilian tuna fishing.

What is remarkable is Nippon Reizo's successful set up of a new tuna meat processing company in Boston in 1957. The new method which is patented enables tuna meat to be processed like beef. The capitalization of the new company has been jointly made with an American company. Whether by branching out the Boston company in the whole U.S. or by taking royalties from the patent, the Company is contemplating the best way to expand the business of its commercial bridgehead in Boston.

Book Review

Man and Automation (Pelican)

by L. Landon Goodman

Penguin Books Ltd, 1957. pp. 286 3/6

In the compact format of a Pelican book, it is amazing that the theme is comprehensively treated and copiously illustrated with many instances of automation that are developing in all sorts of industries. Divided into two parts, Part One deals with automation's technical aspects, giving a full account of what is happening in commerce and industry, and Part Two treats its social, economic, and other aspects, discussing its impacts on supply of man-power, vocational types, trade unions, management, education, etc.

The author, with a first-class honors degree in Mechanical and Electrical Engineering, has made a particular study of the integration of various fields of industry and of ways of increasing industrial productivity. With his wide range of experience and vision, he proceeds with calm persuasive objectivity. Though this book seems to be meant more of resources than of theoretical analysis the present reviewer took note of his economic interpretation of the problem as follows.

Along with other writers, he admits that in most of the cases automation will cause temporary decrease of employment, being replaced by automatic process. He sees, however, this is indispensable because of the keen competition for lower cost of production. However, when automation becomes prevalent in commerce and industry, then the level of the employment will be more stable with regards to short-term changes in production. But, finally in the event of a slump, automation will tend to make the economy less stable, for "at the start, the automated plants would not reduce their output, and this delay in balancing the output to the fall in demand might probably aggravate the slump." (p. 222)

While trade unions still tend to resist the progress of automation, the author points out, with ample examples of enterprises lost in competition for their lacks of enthusiastic efforts towards automation and raising of productivity, that automation is something inescapable in historical process like the Industrial Revolution, making trade unions' support and cooperation inevitable for their own benefit. (K.U.)

The Japanese Woman: A Pictorial.

Edited and published by Japan Travel Bureau, Tokyo. pp. 116
¥540 in Japan; \$2.75 abroad.

Nowhere is the fair sex fairer than in Japan. Years ago personalities as diverse as Havelock Ellis, Townsend Harris, and Lafcadio Hearn spared no adjectives in praising the Japanese woman. In recent times she has captured the hearts of literally tens of thousands of American G.I.'s, as well as countless tourists, businessmen and diplomats. This book reveals the magic of her universal appeal.

This unique pictorial is the first book of its kind devoted exclusively to portraying the abundant and diverse charms of Japanese women. Here are candid shots in lifelike color and vivid black and white presenting Japanese women from all walks of life as they really are and in a stimulating variety of activities. Here are working girls, dancing girls, schoolgirls, geisha girls, diving girls, and just plain girls. You will find them in picturesque native dress, elegant Western dress, and the ever-popular undress.

Here is a book for those who want a permanent record of the most wonderful aesthetic products of Japan—its women.

(K. Yabuki)

Far Eastern Affairs Number One

St. Antony's Papers Number 2

Edited by G. F. Hudson Chatto & Windus pp. 145 12/6

One of the series of works based on Seminar papers at St. Antony's College, Oxford, and contributions from other places and published three numbers a year. Contains 1 The Mukden Incident of September 18-19, 1931 by G.R. Storry; 2 The Sino-Soviet Alliance Treaty of 1945 by G.F. Hudson; 3 Economic Planning in India and China by Raghavan Iyer; 4 The Asian Socialist Conference of 1953 by S. Rose; 5 Sino-Japanese Peace Talks, June-September, 1938 *Translated from the Diaries of General Ugaki* by Commander E.H.M. Colegrave, R.N. (Retd.); 6 The Imperial Impact on Backward Countries by G.L. Arnold; 7 The Wa People of the Burma-China Border by G.E. Harvey; 8 Some Notes on Chinese Language Reforms by D.E. Watkins.

Each of the papers collected is of great topical interest, by one of the most competent specialists on the subject. For instance, G.R. Storry, onetime lecturer at Otaru University and specializing in modern Japanese history, fills in some of the gaps in what is known to the Western academic world about the Mukden Incident with an abundant use of direct sources such as the *Transcript of the International Military Tribunal, Far East*, and *Saionji-Harada Memoirs*. (M.T.)

Chugoku no Kyoiku

(Education in China) (in Japanese) by Atsuyoshi Niijima
Toyo Keizai Shinpo Sha pp. 245. ¥320.

In China, a great change is taking place in the pattern of thought to create a new type of Chinese. The author thinks the transformation of human type is comparable in magnitude to the Reformation in Europe that paved the way toward the formation of the modern citizen. The earliest manifestation of the various campaigns to reform the corruption of bureaucrats and other evils was *chêng fêng yün tung* (lit. moral rectification campaign). The campaigns are still continuing with great force.

Historically arranged, the book is divided into two parts: the education under the new democracy and the Socialist education. It begins with the education under the Nationalist regime and continues in a wide perspective through *chêng fêng yün tung* and the formation of the People's Republic of China to the present day. It has useful statistics on the development of education at the end of the book. (A.S.)

PUBLICATIONS RECEIVED

The Highland Economy 1750-1850

by Malcolm Gray Oliver and Boyd, 1957 pp. 280 25/

An essay in regionalism, this new economic history of the Scottish Highlands shows the response within the area to the forces of industrialism.

Village Panchayats in India

by H.D. Malaviya Indian National Congress, New Delhi pp. 843 Rs. 12/

A very extensive account of the village council in India.

The Malta Directory & Trade Index 1957

Malta Publicity Services Ltd, Valletta pp. 400

The Times Literary Supplement August 16, 1957 Special Autumn Number. A Sense of Direction, 44-page inset, contains Japan: The Floating World, a two page report on the recent literary trends in Japan.

Comercio Exterior de Mexico October, 1957.

Monthly publication of the Banco Nacional de Comercio Exterior, S.A.

Business and The Money Market

by Homer J. Livingston, President The First National Bank of Chicago.

Repertorio Americano 1957.

Abril-Mayo Cuadernos de Cultura Hispana San Jose, Costa Rica. Contains an article on Gabriela Mistral.

1. Business Indices

Items	Units & Standards	1954	1955	1956	1957						1956
		Average	Average	Average	May	June	July	Aug.	Sept.	Oct.	Oct.
Finance & Banking											
Treasury Acct. with the Public (6).....	Fiscal Year ¥100,000,000	(→)1,900	(→)2,766	1,634	926	1,046	171	467	374	(→) 529	(→) 333
Bank of Japan Accounts (1) End of Year or Month											
Bank Note Issue	¥100,000,000	6,220	6,738	7,848	6,390	6,771	6,635	6,533	6,535	6,647	6,110
Loans Total	"	2,433	319	1,399	3,243	4,754	4,838	5,212	5,629	5,343	756
Foreign Exchange Loans	"	218	127	30	7	7	0	0	0	0	4,743
Government Bonds	"	4,835	5,536	5,867	2,997	2,179	2,431	2,331	2,047	2,506	4,709
Postal Savings and Postal Transfer Savings (2) End of Year or Month	"	4,363	5,166	6,327	6,608	6,674	6,887	6,946	6,933	7,017	5,958
All Banks Account (1) End of Year or Month											
Deposits	"	30,366	37,243	47,642	49,576	49,312	49,140	49,719	*52,026	51,031	43,635
Loans	"	29,119	31,958	40,661	43,904	44,695	45,055	45,745	*47,209	47,402	37,218
Stocks											
Average Share Price (Tokyo Stock Exchange) (3)											
Dow Jones	Yen	340.79	374.00	485.33	547.58	524.70	495.89	511.93	532.32	517.76	496.19
Simple Arithmetic Means	"	110.94	108.17	126.43	118.00	112.66	104.73	107.21	110.97	106.87	116.20
Tokyo Stock Exchange (3)											
Total Turnovers	Million Stock	1,238	2,505	6,692	775	444	487	603	730	615	540
Investment Yields	%	9.44	7.96	6.68	7.17	7.29	7.87	7.29	7.44	7.75	7.25
Prices											
Bank of Japan Wholesale Price Indices (1)											
Total Average	1934-36=100	34,920.8	34,293.1	35,793.8	37,136.8	36,996.6	36,646.3	36,436.1	36,506.2	36,646.3	36,611.3
Total Average	1952=100	99.7	97.9	102.2	106.0	105.6	104.6	104.0	104.2	104.6	104.5
Producer Goods	"	96.7	95.1	104.0	109.4	108.8	107.2	106.2	106.1	105.8	107.8
Consumer Goods	"	103.6	101.6	99.7	101.5	101.4	101.1	101.1	101.8	103.0	100.2
Consumers Price Indices (4)											
All City Average	1951=100	119.1	117.8	118.4	123.4	122.8	122.9	123.7	123.5	..	119.4
Tokyo	"	118.1	116.4	117.5	121.8	121.6	122.3	122.5	122.2	..	118.4
Tokyo Retail Price Indices (1)	1952=100	106.9	102.4	102.1	105.7	104.5	106.0	106.8	105.8	104.0	102.7
Tokyo Living Cost Indices (5)	1946=100	850.2	847.4	832.3	883.8	874.4	861.9	865.0	879.5	876.0	828.2
Foreign Trade Price Indices (6)											
Exports	July, 1949-June, 1955=100	123.0	123.5	128.9	128.3	127.2	125.4	124.2	..	..	128.3
Imports	"	105.7	106.5	104.5	106.5	105.8	103.9	105.0	..	..	103.9
Foreign Trade											
Exports & Imports (6)											
Exports	Million Dollars	1,629	2,011	2,501	237	210	251	258	255	225	234
Imports	"	2,399	2,471	3,230	452	393	389	362	320	306	305
Balance	"	(→) 770	(→) 461	(→) 729	(→) 216	(→) 183	(→) 138	(→) 105	(→) 6	(→) 81	(→) 71
Foreign Trade Volume Indices (6)											
Exports	1953=100	133.3	174.1	207.9	231.9	204.3	239.7	264.9	..	..	210.6
Imports	"	103.6	108.5	138.3	210.9	183.5	186.3	170.2	..	..	142.6
Foreign Exchange Accounts (1)											
Total Receipts	Million Dollars	221	267	323	310	286	317	321	285	334	289
Total Expenditure	"	229	217	293	407	399	418	390	344	308	264
Balance	"	100	494	292	(→) 97	(→) 114	(→) 102	(→) 69	(→) 55	26	25
Foreign Currencies Holdings (6)*	"	1,053.6	1,316.7	1,421.1	1,000	878.9	884.7	884.2	..	..	1,387.7
Production & Inventories											
Industrial Activities Indices (7)											
All Industries	1934-36=100	173.5	187.9	228.7	268.1	267.7	272.0	▲ 256.8	257.3	..	223.6
Mining & Manufacturing	"	166.9	180.7	220.5	258.7	258.7	262.5	▲ 247.7	248.3	..	225.6
Manufacturing	"	173.8	189.4	232.8	273.8	274.3	278.6	▲ 263.2	262.8	..	238.4
Producer Delivery Indices (8)											
Mining & Manufacturing	1950=100	172.6	188.1	226.4	263.7	263.4	262.6	▲ 253.0	261.9	..	241.7
Manufacturing	"	181.8	198.2	240.0	287.5	280.6	279.4	▲ 269.8	278.7	..	257.0
Raw Material Inventories Indices (8)	"	165.7	155.3	190.6	276.0	292.5	292.0	▲ 293.5	293.8	..	214.3
Producer Goods Inventories Indices (8)											
Mining Manufacturing	"	155.5	144.4	134.4	162.4	180.4	195.3	▲ 206.1	209.1	..	134.3
Manufacturing	"	158.9	148.6	144.0	176.2	197.2	214.0	▲ 226.0	229.4	..	144.5
Sellers Inventories Indices (8)	22 items surveyed	109.2	113.6	128.2	152.8	160.4	156.2	165.0	..	..	148.4
Warehouse Inventories Indices (8 Biggest Cities) (9)	1950=100										
Volume	1,000 tons	1,699	2,055	2,807	2,855	2,929	..	..	..	..	2,132
Value	¥100,000,000	108,482	131,606	179,027	191,571	198,705	..	..	..	..	138,135
Railroad Carloadings Indices (10)	1941=100	105.6	105.9	113.4	118.0	125.0	124.2	122.3	123.5	..	119.3
All Japan Department Store Sales Indices (8)	"	22,193.7	23,668.9	28,867.2	28,345.5	29,746.7	39,763.4	29,266.5	..	..	23,837.8
Labor, Household Budget											
Employment Indices (Regular Employees) (11)											
All Industries	1951=100	111.4	110.0	113.3	120.9	121.1	121.2	120.8	..	..	114.2
Manufacturing	"	113.0	111.5	116.1	127.0	127.2	127.0	126.4	..	..	117.5
Employment Total (4)	10,000	4,014	4,150	4,228	4,409	4,457	4,490	4,443	..	..	4,372
Total Unemployment (4)	"	58	68	64	46	46	48	49	..	..	57
Regular Employee Cash Wage Total (11)											
All Industries	Monthly · yen	17,898	18,624	20,201	17,992	25,299	24,912	19,569	..	..	13,376
Manufacturing	"	16,309	16,717	18,348	16,411	22,118	24,347	17,619	..	..	16,647
Regular Employees Real Wage Indices (11)											
All Industries	1951=100	125.5	134.3	145.9	124.6	176.1	173.3	138.0	..	..	132.6
Manufacturing	"	119.3	126.7	139.7	119.9	162.4	178.6	128.5	..	..	126.7
Wage Earners Household Budget (All Cities) (4)											
Income	Monthly · yen	28,283	29,169	30,776	28,098	37,113	35,486	30,042	..	..	28,180
Expenditure	"	26,428	26,786	27,543	26,389	29,065	30,450	27,632	..	..	26,045
Wage Earners Household Budget (Tokyo) (4)											
Income	"	33,701	34,845	36,122	34,071	44,315	49,195	34,391	..	..	31,359
Expenditure	"	31,450	32,388	32,603	31,751	35,433	40,436	33,245	..	..	29,176
Consumer Standards (7)											
All Japan	1951 F.Y.=100	123.7	127.8	135.2	..	..	..	..	..	..	131.9
All Cities	"	128.5	134.9	145.1	140.8	148.1	152.1	141.5	..	..	135.7
Farm Area	"	116.5	117.1	120.4	..	..	..	..	..	..	123.5

Sources: (1) Bank of Japan. (2) Ministry of Postal Services. (3) Tokyo Stock Exchange. (4) Statistics Bureau, Prime Minister's Office. (5) The Oriental Economist. (6) Finance Ministry. (7) Economic Planning Board. (8) MITI. (9) Transportation Ministry. (10) Japanese National Railway. (11) Labor Ministry. Notes: * End of Year or Month. ▲ Revised at source.

2. Treasury Accounts with the Public

(In ₹100,000,000)

(Ministry of Finance.)

Items	Fiscal 1956					Fiscal 1957					Fiscal 1956
	Apr.- June	July- Sept.	Oct.- Dec.	Jan.- Mar.	Total	Apr.- June	July- Sept.	Aug.	Sept.	Oct.	July- Sept.
General Account											
Revenue											
Taxes	2,002	2,216	2,383	2,616	9,217	2,458	2,519	818	891	675	592
Monopoly	336	255	155	254	1,000	268	284	141	67	51	35
Others	163	97	150	134	546	147	76	24	26	36	43
Total	2,501	2,570	2,688	3,004	10,763	2,973	2,879	983	984	762	670
Expenditure											
Security Forces	118	108	129	156	511	144	154	30	21	118	87
Defense Agency	267	153	250	197	872	330	173	59	58	74	57
Public Works Expenditure	340	250	446	282	1,298	255	282	175	110	105	100
Local Finance Equalization Grants ..	748	463	416	258	1,882	900	536	338	160	48	35
Compulsory Education Expenditure ..	191	166	238	158	753	214	171	66	53	56	107
Others	925	698	1,053	770	3,446	1,010	869	258	326	324	280
Total	2,689	1,840	2,532	1,801	8,762	2,853	2,185	854	728	725	666
Balance	→ 88	730	156	1,203	2,001	120	694	129	256	37	4
Special Accounts and Others											
Foodstuff Control	583	→ 401	→ 1,024	844	→ 1	1,006	→ 296	98	30	→ 563	→ 300
Trust Fund Bureau	→ 200	→ 82	→ 283	→ 427	→ 992	→ 249	→ 124	→ 15	→ 44	→ 127	→ 54
Industrial Investment	28	43	→ 22	53	102	→ 90	→ 100	→ 12	→ 104	→ 35	→ 16
National Railways and Nippon Tele- graph & Tel. Public Corporation ..	147	→ 16	→ 120	→ 19	→ 8	→ 72	→ 36	→ 30	→ 3	→ 49	→ 60
Finance Corporation	→ 157	→ 176	→ 280	→ 221	→ 834	→ 228	→ 255	→ 84	→ 90	→ 88	→ 63
Others	→ 28	→ 267	→ 121	→ 539	→ 899	→ 59	→ 318	→ 158	→ 22	→ 22	→ 25
Total	→ 370	→ 365	→ 1,608	→ 769	→ 834	→ 426	→ 221	→ 175	→ 25	→ 538	→ 398
Adjustment Items	→ 94	→ 1	→ 49	→ 121	→ 167	→ 6	→ 76	→ 56	→ 2	→ 18	→ 70
Foreign Exchange	→ 94	→ 21	→ 13	→ 762	→ 634	→ 1,225	→ 615	→ 219	→ 91	→ 46	→ 9
Balance	94	343	→ 1,416	2,613	1,634	1,777	1,012	467	374	→ 529	→ 333

3. Monthly Report of All Banks

(August, 1957: Excluding Bank of Japan)

(In million yen)

(Bank of Japan)

	All Banks					Bank of Japan		
	Debiture Issuing Banks (°)	City Banks (13)	Local Banks (65)	Trust Banks (6)	Total (87)	Leftover from Pre. mo. (87)	Month-end, previous year (86)	Trust Account (16)
Deposits								
Current Deposits	15,731	713,947	148,530	37,668	915,878	915,944	800,077	—
Ordinary Deposits	8,941	566,740	347,676	18,246	941,605	943,148	844,408	—
Deposits at Notice	22,721	228,457	65,209	24,626	341,014	318,260	266,677	—
Time Deposits	11,010	1,426,126	832,990	43,75	2,323,878	2,286,742	1,823,288	—
Special Deposits	5,498	157,155	42,142	7,303	212,100	210,715	154,780	—
Instalment Savings	17	37,748	105,762	901	144,411	141,997	129,749	—
Deposits for Tax Payment	—	4,200	2,355	278	6,851	7,411	9,657	—
Deposits of Gov't and Gov't Agencies	511	84,889	—	—	85,401	88,807	139,059	* 178,875
Other Deposits	—	855	—	—	855	976	641	** 183,455
Total	64,430	3,230,122	1,544,666	132,777	4,971,996	4,914,005	4,168,338	—
Borrowed Money	14,440	498,188	2,944	9,145	524,719	489,272	135,670	—
Borrowings for Settlement of Import Bills ..	1,637	77,198	318	605	79,811	82,797	25,732	—
Call Money	12,557	116,138	7,442	13,598	149,736	167,179	108,143	—
Cash and Deposits								
Cash in Hand	19,227	699,562	108,690	28,948	856,429	839,465	603,744	2,655
Deposits with Domestic Money Organs	407	13,753	16,692	2,819	33,672	30,651	28,150	1,970
Call Loans	4,491	5,095	48,956	357	58,900	62,835	54,738	29,267
Securities								
Government Bonds	1,759	38,629	10,684	791	51,865	51,987	52,508	483
Local Government Bonds	2,835	35,333	86,195	371	74,736	74,501	48,913	1,618
Foreign Bonds	—	2,415	—	—	2,415	3,008	3,044	3
Corporate Debentures	14,003	252,826	188,123	7,514	462,467	457,746	411,842	5,450
Stocks	11,413	72,178	25,226	4,548	113,367	111,996	83,222	2,664
Other Bonds	314	284	1,066	2,284	3,950	4,297	2,401	23
Total	30,327	401,668	261,297	15,510	708,803	703,539	601,933	10,244
Advance								
Discount Bills	11,810	1,007,051	358,530	70,633	1,448,086	1,418,680	1,175,128	12,271
Bank Acceptance Bills	—	821	9,522	11	10,355	11,423	12,039	—
Commercial Bills	11,810	1,005,552	347,708	70,674	1,435,746	1,405,178	1,160,507	—
Documentary Bills	—	677	1,300	7	1,985	2,078	2,581	—
Advances against Guarantee	419,721	1,649,114	881,419	60,062	3,010,318	2,965,167	2,327,584	318,791
Loans on Bills	44,343	1,593,052	830,514	58,573	2,526,483	2,484,591	1,955,176	101,458
Loans on Deeds	375,377	23,800	39,505	1,080	439,764	433,608	329,084	67,563
Overdrafts	—	32,262	11,399	408	44,070	46,866	43,323	—
Loans for Settlement of Import Bills	2,091	111,193	1,622	1,190	116,098	121,670	65,855	—
Total	433,622	2,767,360	1,241,572	131,947	4,574,503	4,505,518	3,568,568	331,062

Note: * Money in trust total. ** Loan trust.

4. Bank of Japan Ten-day Report

(In million yen)

(Bank of Japan)

Items	1957			1956
	Oct. 10	Oct. 20	Oct. 31	Oct. 31
LIABILITIES				
Bank Notes Issued	615,423	615,655	664,698	611,081
Bankers' Deposits	6,233	5,056	6,590	4,840
Government Deposits	54,459	35,512	40,942	47,693
Other Deposits	84,371	82,846	79,149	29,446
Inter-Bank Remittance Deposits	—	—	—	—
Reserves Against Con- tingencies	34,498	34,498	34,498	28,098
Other Liabilities	61,094	64,906	80,884	45,709
Capital Stock	100	100	100	100
Reserve Funds	16,373	16,373	16,373	14,286
Total	872,554	854,949	923,238	781,256
ASSETS				
Bullion	447	447	449	447
Cash	5,572	5,643	5,924	3,740
Discounted Bills	60,362	64,039	53,808	16,798
Loans	497,178	479,396	480,511	58,896
Foreign Exchange Loans..	—	—	—	4,743
Advances to Government..	—	—	—	—
Government Bonds	178,140	178,664	250,608	470,923
Foreign Ex. Accounts	74,885	74,944	75,897	178,540
Inter-Bank Remittance....	—	—	—	—
Agencies Accounts	14,889	9,407	8,439	10,012
Other Assets	41,078	42,406	47,599	37,152
Total	872,554	854,949	923,238	781,256

5. Outstanding Loans to Industries by All Banks

(In million yen)

(Bank of Japan)

End of Month	June, 1957			July, 1957		
	Loans Total	For Equip- ments	For Co. of ¥10 Million or less	Loans Total	For Equip- ments	For Co. of ¥10 Million or less
Manufacturing total	2,104,232	242,581	611,172	2,126,464	251,568	610,216
Foodstuffs	203,938	11,549	100,966	203,033	11,638	100,120
Textiles	484,438	44,429	165,509	492,029	45,150	167,477
Wood and Wood Products	78,870	2,129	65,904	77,483	2,139	64,884
Paper & Related Products	123,120	19,207	20,149	124,646	20,235	20,302
Printing & Publishing ..	42,594	4,890	15,909	42,370	4,861	15,902
Chemicals	258,585	49,938	33,159	263,089	52,281	32,802
Glass & Ceramics	76,267	15,656	15,934	78,589	15,793	15,976
Primary Metals	233,098	42,124	28,920	234,323	43,416	28,336
Machinery	106,446	6,723	46,046	105,767	6,894	45,877
Electric Machinery & Tools	149,842	14,626	17,588	152,528	15,268	17,858
Trans. Machinery & Tools	147,355	11,443	20,288	149,014	11,898	20,502
Agriculture	15,133	555	14,735	14,034	540	13,655
Forestry & Hunting	11,097	54	8,808	10,980	41	8,660
Fishery	58,150	19,187	18,883	59,570	19,441	19,086
Mining	93,482	17,825	11,937	95,910	18,254	11,899
Metal Mining	21,049	4,921	724	20,976	5,037	787
Coal Mining	60,530	9,943	7,788	63,184	10,153	7,673
Construction	89,752	1,429	39,684	89,491	1,494	39,702
Wholesale & Retail	1,399,240	17,613	671,746	1,404,230	17,818	664,725
Wholesale	1,278,918	11,204	586,353	1,283,694	11,403	579,001
Retail	120,321	6,408	85,392	120,535	6,414	85,723
Finance Insurance	67,745	148	9,784	64,432	146	9,305
Real Estate	31,498	11,438	14,598	32,451	12,021	15,265
Trans. & Public Utilities..	361,449	251,715	25,571	369,773	256,940	25,470
Railways	35,767	14,747	203	37,341	15,045	235
Shipping	110,682	74,542	10,239	111,117	75,461	10,128
Electric	139,349	137,484	31	142,923	141,021	41
Services	82,810	22,283	56,978	82,076	22,607	56,983
Local Public Corporation..	53,111	21,533	—	52,669	21,474	—
Others	56,019	2,960	55,901	56,467	2,881	56,348
Total	4,423,725	609,626	1,539,802	4,458,552	625,231	1,531,321

6. Tokyo-Osaka Call-Money and Its Rates

(Bank of Japan)

Year & Month	Tokyo			Osaka		
	Rate		Balance at the End of the Month (million yen)	Rate		Balance at the End of the Month (million yen)
	Over- Month -End (sen)	Uncon- ditional (sen)		Over- Month -End (sen)	Uncon- ditional (sen)	
1957: Apr. ..	2.30	2.10	84,611	2.40	2.10	33,750
May ..	2.65	2.35	74,921	3.20	2.40	34,915
June ..	5.00	4.50	69,255	4.60	4.60	25,845
July ..	3.50	3.50	96,893	3.50	3.50	31,816
Aug. ..	3.50	3.50	75,022	3.50	3.50	26,909
Sept. ..	3.50	3.50	73,063	3.50	3.50	18,170
1956: Sept. ..	2.35	2.00	55,522	2.35	2.00	21,334

7. Postal Savings & Postal Transfer Savings

(In million)

(Ministry of Postal Services)

End of Month	Postal Savings			Postal Transfer Savings	Total
	Receipts	Payments	Balance		
1957: Feb.	50,905	47,295	650,900	7,098	657,998
Mar.	64,236	58,233	656,902	8,324	665,226
Apr.	68,324	66,457	658,769	6,307	665,076
May	60,809	58,809	660,769	7,582	668,351
June	59,716	47,025	673,459	6,767	680,226
July	73,534	54,673	692,320	7,185	699,505
1956: July	60,879	42,301	571,545	6,748	578,293

8. Bank Clearings

(In billion yen)

(Tokyo Clearing House)

Year & Month	All Clearing		Tokyo		Osaka	
	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount
1956: Dec. ..	(1,000)		(1,000)		(1,000)	
1957: Jan. ..	16,261	4,718	6,466	2,068	3,314	872
Feb. ..	11,108	3,460	4,427	1,561	2,146	1,137
Mar. ..	11,966	3,619	4,763	1,633	2,437	785
Apr. ..	12,755	4,301	5,145	1,933	2,566	851
May ..	13,168	4,235	5,244	1,885	2,692	1,001
June ..	13,766	4,129	5,510	1,840	2,797	985
July ..	13,655	3,914	5,382	1,727	2,743	969
Aug. ..	14,214	4,283	5,728	1,884	2,852	919
1956: Aug. ..	13,238	4,180	5,229	1,813	2,715	1,001
1956: Aug. ..	12,142	3,375	4,818	1,543	2,480	810

9. Average Yields of Debentures

(Industrial Bank of Japan)

Month	Gov't Bonds	Financial Debenture		Industrial Debenture
		Interest Bearing	Discount	
	%	%	%	%
1956: December ..	6.342	7.204	6.224	7.388
1957: January	—	7.204	6.224	7.362
February.....	6.362	7.204	6.224	7.375
March.....	6.324	7.204	6.224	7.360
April	6.331	7.204	6.224	▲ 7.362
May.....	—	7.204	6.224	7.367
June	6.324	7.204	6.224	▲ 7.910
July.....	—	7.621	6.643	▲ 7.926
August	—	7.621	6.643	7.926
1956: August	6.362	7.204	6.224	7.410

10. Government Bonds

(In million yen)

(Bank of Japan)

End of Month	Government Bonds			Foreign Exchange Fund Bills			Food Notes			Outstanding Amounts of Corporate Debentures
	Issue	Redemption	Balance	Issue	Redemption	Balance	Issue	Redemption	Balance	
1957: April	696	670	409,369	25,030	46,813	58,268	185,582	289,315	226,076	693,713
May	82	40	409,411	39,076	68,220	29,124	85,563	▲ 75,481	186,158	624,693
June	813	810	409,414	6	7,034	22,096	85,088	▲ 155,089	116,152	547,662
July	567	534	409,447	15,000	22,090	▲ 15,006	97,125	45,531	167,746	592,199
August	106	21	409,532	—	6	15,000	63,341	80,614	150,473	575,005
1956: August	824	708	426,557	72,566	78,000	114,566	84,980	103,791	225,000	766,123

11. Corporate Debentures & Public Corporation Bonds

(In million yen)

(Industrial Bank of Japan)

End of Month	Corporate Debentures									Public Corporation Bonds		
	Banking Bonds			Industrial Bonds			Total					
	Issue	Redem- ption	Balance	Issue	Redem- ption	Balance	Issue	Redem- ption	Balance	Issue	Redem- ption	Balance
1957: June	16,198	11,992	437,648	3,910	3,712	329,383	▲ 20,108	15,704	767,031	2,647	—	123,479
July	18,778	13,671	442,755	▲ 5,173	4,284	▲ 330,271	▲ 23,951	17,955	▲ 773,026	3,013	—	126,492
August	18,952	13,475	448,232	▲ 5,545	4,461	▲ 331,256	▲ 24,497	17,926	▲ 779,588	2,864	298	129,059
September...	18,854	12,646	454,440	4,733	4,179	331,870	23,587	16,825	786,310	3,202	4,220	128,040
October....	19,457	12,411	461,486	5,313	4,030	333,152	24,770	16,441	794,639	..	..	..
1956: October....	17,447	13,000	400,770	12,136	4,322	266,742	29,582	17,322	667,535	..	—	88,750

12. Contracts & Investments of Mutual Life Insurance Companies

(In million yen)

(Mutual Life Insurance Association)

End of Month	Mid-Month Contract Amounts	End-Month Contract Amounts	Loans Total	Call Loans	Negotiable Securities			Real Estate	Cash & Deposits	Others
					Total	Debentures	Stocks			
1957: April	96,848	2,905,847	116,350	7,928	101,166	11,255	85,651	26,527	3,551	5,244
May	100,769	2,955,695	122,558	9,516	101,235	11,338	85,584	27,243	3,376	4,759
June	224,121	3,018,021	128,932	8,826	101,462	11,253	85,777	27,823	3,456	4,933
July .....	..	..	134,202	6,323	102,297	10,738	87,201	28,703	2,716	5,770
1956: July	83,458	2,394,688	95,235	6,098	80,588	6,587	70,625	21,287	3,807	4,370

13. Contracts & Investments of Loss Insurance Companies

(In million yen)

(Loss Insurance Association)

End of Month	Mid-Month Contract Amounts	End-month Contract Amounts	Loans Total	Call Loans	Negotiable Securities			Real Estate	Cash & Deposits	Others
					Total	Debentures	Stocks			
1957: April	1,609,568	8,486,912	10,671	4,643	53,284	3,785	46,030	14,810	23,418	584
May	1,661,639	8,492,009	11,668	3,539	54,564	4,054	47,031	15,074	23,283	523
June	1,754,714	8,636,149	▲ 12,743	2,798	55,163	4,106	47,723	15,342	23,411	871
July .....	..	..	13,704	2,094	56,759	3,999	49,444	15,588	21,632	553
1956: July	1,391,411	8,537,823	9,273	3,080	39,152	1,623	34,439	13,439	20,973	559

14. Stock Issue Plan & Paid-Up Capital

(In million yen)

(Ministry of Finance)

Year & Month	Stock Issue Plan						Paid-Up Capital					
	Over ¥50 million		Under ¥50 million		Total		Over ¥50 million		Under ¥50 million		Total	
	No. of Effective Cases	Increase in Capital	No. of Effective Cases	Increase in Capital	No. of Effective Cases	Increase in Capital	No. of Effective Cases	Increase in Capital	No. of Effective Cases	Increase in Capital	No. of Effective Cases	Increase in Capital
1957: April	17	6,146	443	9,764	460	15,910	12	▲ 1,124	540	10,059	552	11,183
May	14	4,729	524	7,264	538	11,993	9	1,240	430	7,473	439	8,713
June	45	36,802	536	5,475	581	42,227	21	12,301	507	4,951	528	17,253
July	36	24,611	428	3,966	464	28,577	26	12,260	538	4,637	534	16,866
August	44	33,876	401	8,260	445	42,137	44	16,612	393	8,270	437	24,881
September	37	28,090	408	5,511	445	34,220	22	10,702	384	3,565	406	14,268
1956: September	10	13,639	480	7,533	520	21,172	19	9,076	431	4,623	450	13,698

15. Tokyo Wholesale Price Indices

(1952=100)

(Bank of Japan)

Year & Month	Total Average	Agricultural Products	Textiles	Fuels	Metal & Machinery	Building Materials	Chemical Products	Sundries	By Uses		
									Pro-ducer's Goods	Capital Goods	Con-sumer's Goods
1956: Average	102.2	104.0	87.1	104.8	110.3	122.2	86.5	92.2	104.0	115.6	99.7
1957: July	104.6	106.4	79.2	112.2	112.7	135.4	88.0	93.8	107.2	123.9	101.1
August	104.0	106.7	78.8	111.4	110.9	134.7	87.4	93.6	106.2	122.4	101.1
September	104.2	107.3	79.4	111.9	110.8	135.0	86.6	93.1	106.1	122.4	101.8
October	104.6	108.7	80.5	112.6	109.7	134.6	85.9	92.2	105.8	121.7	103.0
1956: October	104.5	103.9	85.7	105.0	119.3	132.0	86.6	92.7	107.8	124.1	100.2

Notes: Food Notes in Table 10 do not include Korean food notes. Public Corporation Bonds are the total of National Railways Bonds and Telephone & Telegraph Corporation Bonds. ▲ Revised at Source.

16. Tokyo Retail Price Indices

(1952=100)

(Bank of Japan)

Year & Month	Total Average	Agricultural Products	Textile Products	Metal Products	Wood Products	Fuel	Miscellaneous	*Total Average	Total Average (1934-6=100)
1956: Average	102.1	109.5	88.0	98.3	102.0	111.0	94.1	98.8	30,666.9
1957: June	104.5	112.3	87.8	99.1	107.2	127.7	96.6	101.6	31,400.6
July	106.0	115.5	86.9	99.1	106.2	126.2	96.6	101.8	31,851.3
August	106.8	117.3	86.5	99.0	105.6	126.1	96.7	101.7	32,091.7
September	105.8	115.4	86.5	99.1	105.6	125.7	96.5	101.5	31,791.2
October	104.0	112.0	86.7	98.0	105.6	128.1	96.6	95.2	31,250.3
1956: October	102.7	110.0	88.8	99.9	105.6	112.1	94.5	99.1	30,859.7

17. Consumer Price Indices

(1951=100)

(Bureau of Statistics, Prime Minister's Office)

		Total Average	Food	Staple Food	Nonstaple Food	Clothing	Light & Fuel	Housing	Miscellaneous
All Cities	1956: Average	118.4	113.9	124.0	107.5	83.1	137.0	145.9	143.1
	1957: May	123.4	119.8	126.7	115.5	84.6	146.7	154.4	145.9
	June	122.8	118.7	128.1	112.9	84.5	146.9	155.5	145.9
	July	122.9	118.8	129.4	112.2	84.4	147.9	156.4	145.9
	August	123.7	120.0	129.3	114.1	84.2	148.7	156.7	146.4
	September	123.5	119.6	128.7	113.8	84.4	150.8	157.2	146.0
	1956: September	118.5	113.6	124.1	107.0	83.5	136.7	149.6	143.8
Tokyo	1956: Average	117.5	112.4	121.2	107.8	82.4	138.6	142.2	141.6
	1957: June	121.6	116.9	124.4	113.0	83.2	145.8	150.6	144.9
	July	122.3	117.8	127.2	112.9	83.2	146.0	152.8	145.2
	August	122.5	118.2	127.0	113.5	83.3	146.6	152.5	145.2
	September	122.2	117.4	125.7	113.0	84.8	147.5	152.6	145.0
	October	123.9	120.2	132.0	113.9	83.8	150.1	152.9	145.2
	1956: October	118.4	113.2	121.1	109.1	83.1	139.5	145.2	142.4

18. Labor Population Survey

(In 10,000)

(Labor Ministry)

Year & Month	Total (1) Population	Population 14 years old and over						Agriculture & Forestry		Non-Agricultural Industry	
		Labor Force						Not at Work (3)	At Piece-Work (4)	Not at Work (3)	At Piece-Work (4)
		Total (2)	Total of the following three columns	Agriculture & Forestry	Non-Agricultural Industries	Totally Unemployed	Not in Labor Force				
1956: Average	9,006	6,266	4,291	1,682	2,546	64	1,666	23	627	33	363
1957: May	9,080	6,354	4,455	1,778	2,631	46	1,890	18	396	24	314
June	9,090	6,362	4,502	1,879	2,577	46	1,853	14	416	31	▲332
July	▲9,090	▲6,370	4,490	1,784	2,659	48	1,871	▲20	▲526	34	▲361
August	9,100	6,384	4,436	1,709	2,677	49	1,939	18	552	34	344
1956: August	9,020	6,281	4,337	1,770	2,511	57	1,936	23	726	44	383

19. Labor Disputes & No. of Participants

(1,000 Participants)

(Labor Ministry)

Year & Month	Dispute Total		Not Accompanied by Dispute Tactics		Accompanied by Disputes									
					Total		Strikes		Lock-outs		Work Slowdown		Business Control	
	No. of Cases	No. of Par- ticipants	No. of Cases	No. of Par- ticipants	No. of Cases	No. of Par- ticipants	No. of Cases	No. of Par- ticipants	No. of Cases	No. of Par- ticipants	No. of Cases	No. of Par- ticipants	No. of Cases	No. of Par- ticipants
1956: Total ..	1,285	2,456	555	959	799	1,457	616	878	44	(168,487)	329	655	5	(209)
1957: Apr. ..	149	203	62	42	89	161	76	154	3	(226)	33	58	1	(245)
May ..	93	348	39	251	56	97	37	10	4	(184)	29	91	—	—
June ..	120	182	57	87	72	96	59	58	1	(68)	25	40	—	—
July ..	151	82	76	26	79	56	57	33	2	(71)	32	43	—	—
Aug. ..	73	43	41	26	33	17	30	16	2	(168)	8	6	—	—
1956: Aug. ..	99	97	51	12	55	85	40	84	4	(238)	8	2	2	121

20. Indices for Industrial Activities

(1934-36=100)

(Economic Planning Board)

Year & Month	Industrial Activities				Manufacturing									
	All	Public Works	Mining-Manu-facturing	Mining	All	Food-stuff	Textiles	Printing & Binding	Chemicals	Rubber & Leather	Wood & Wood Products	Ceramics	Metals	Ma-chinery
1956 Average	(153) 228.7	(2) 294.8	(151) 220.5	(10) 129.7	(141) 232.8	(12) 235.9	(12) 100.0	(1) 134.8	(37) 368.2	(10) 216.2	(2) 210.3	(7) 214.4	(18) 265.9	(42) 395.8
1957: April	259.5	321.6	250.4	143.6	265.1	229.5	108.9	146.3	444.2	280.6	220.6	263.0	314.0	449.3
May	268.1	339.7	258.7	147.9	273.8	235.0	110.0	156.1	458.9	280.0	220.3	268.0	331.6	467.4
June	267.7	320.1	258.7	144.3	274.3	231.3	112.5	150.8	462.6	280.6	221.5	258.0	352.9	473.9
July	272.0	337.4	262.5	145.7	278.6	259.9	112.4	148.6	480.5	278.5	225.1	246.6	324.5	470.5
August	▲256.8	▲321.7	▲247.7	▲134.8	▲263.2	▲244.2	▲108.3	▲144.6	▲420.6	▲259.5	▲231.0	▲242.5	▲314.9	▲465.2
September	▲257.3	▲322.8	▲248.3	▲142.2	▲262.8	▲245.7	▲114.0	▲148.9	▲408.9	▲267.6	▲231.0	▲250.9	▲305.7	▲459.6
1956: September	233.6	284.1	225.6	131.7	238.4	242.9	107.1	139.7	356.8	240.5	223.7	224.5	278.6	399.2

Notes: * except perishable vegetables. Figures in parentheses in Table 19 are not in 1,000. Figures in parentheses in Table 20 are the numbers of companies surveyed. ▲ Revised at Source. ▲ Provisional Figures.

21. Production by Major Items

Items	In	1957 July	1957 August	1957 September	Items	In	1957 July	1957 August	1957 September
Electricity, Coal, Cokes, Gas									
Electricity	Mil. KWH	6,256	5,935	5,867	Ordinary Transformers	1,000 Units	21.8	17.5	..
Coal	1,000 Tons	4,263	3,977	4,269	Mercury Rectifiers	1,000 KW	22.0	18.5	17.5
Cokes	Tons	776,779	774,558	757,344	Condensers (High Pressure) ..	"	118.3	113.3	..
Gas	1,000 CM	219,156	212,671	225,011	Electric Welders	Unit	2,966	2,322	..
Minerals					Circuit Breakers	"	57,002	45,953	54,449
Gold	KG.	681	663	732	Electric Fans	1,000 Units	111.4	103.8	97.4
Silver	Tons	18.4	17.4	18.2	Electric Bulbs	1,000 Pcs.	13,004	12,129	12,734
Copper	"	7,036	6,868	6,916	Special Electric Bulbs	"	7,208	6,968	7,067
Lead	"	3,149	3,073	2,996	Watt-hour Meters	1,000 Units	143.3	145.3	152.5
Zinc	1,000 tons	12.4	11.5	11.6	Electric Meters	Units	8,121	7,801	8,091
Sulphuric Iron	"	306.1	292.7	296.1	Storage Batteries	1,000 Units	94.5	88.8	..
Iron	"	111.6	114.7	112.9	X-Ray Equipments	Sets	488	460	480
Refined Sulphur	"	22.9	21.9	20.7	Telephones	1,000 Units	85.7	81.4	72.2
Crude Oil	1,000 Kl.	30.7	30.8	31.5	Telephone Switchboards	Sets	759	611	523
Natural Gas	1,000 CM.	23,476	23,931	23,030	Automatic Tel. Switchboards ..	1,000 Circuits	38.5	37.3	36.7
Non-ferrous Metals & Products					Radios	1,000 Sets.	293.8	284.3	275.3
Electric Gold	KG.	813	820	838	Televisions	"	53.7	52.0	59.0
Electric Silver	Ton	23.0	23.5	23.3	Electric Tubes for Receiving ..	1,000 Pcs.	5,220	4,892	4,781
Electric Copper	"	13,231	13,315	13,127	Elect. Tubes for Transmis. ..	"	20.1	14.7	..
Lead	"	4,312	4,342	4,868	Truck Chassis	Units	4,096	3,407	3,812
Zinc	"	12,923	12,708	12,437	Bus Chassis	"	692	638	561
Electric Tin	"	150.7	100.6	92.4	Small Four-wheeler Chassis ..	"	7,190	6,612	6,682
Mercury	"	30.5	40.9	34.2	Small Three-wheeler Chassis ..	"	9,547	8,666	8,460
Nickel	"	585.4	583.1	603.4	Two-wheelers	"	21,180	19,873	18,870
Aluminum	"	6,311	6,294	6,063	Bicycles	"	203,151	194,476	206,051
Rolled Aluminum	"	5,005	4,909	5,349	Industrial Locomotives	"	48	34	40
Rolled Copper	"	13,905	13,570	14,445	Binoculars	1,000 Pairs	29.9	33.0	31.5
Wires & Cables	"	12,447	9,708	9,639	Cameras	1,000 Pcs.	121.8	124.9	117.0
Oil Products					Watches	"	733.3	694.5	698.4
Gasoline	1,000 Kl.	300.7	292.1	286.2	Forged iron	Ton	124,199	117,593	114,786
Light Oil	"	83.3	79.4	94.6	Textiles & Yarns				
Heavy Oil	"	643.0	591.4	605.2	Cotton Yarn	1,000 lb.	101,232	96,794	91,880
Lubricants	"	42.0	37.3	40.7	Silk Yarn	"	315	314	326
Iron & Steel Products					Rayon Staple Yarn	"	26,435	21,932	21,441
Pig-iron	1,000 Tons	617.6	597.8	581.5	Rayon Filament Yarn	"	56,958	54,369	53,211
Steel	"	1,149.2	1,040.2	1,065.3	Synthetic Chemical Textiles ..	"	6,344	5,942	6,091
Open Hearth Steel	"	910.9	829.4	855.4	Woolen Yarn	"	21,027	19,561	21,052
Converter Steel	"	28.3	28.9	26.9	Best Fibre Yarn	"	9,390	8,810	9,128
Electric Furnace Steel	"	200.0	182.1	183.0	Staple Fibres	"	58,895	58,864	51,888
Ferro-alloys	"	40,116	32,900	32,440	Cotton Textiles	Mil. sq. y.	322.6	308.0	337.5
Rolled iron materials	"	771.9	753.0	752.2	Silk Textiles	1,000 sq. y.	19,024	17,911	18,378
Iron Shapes (Medium size) ..	Ton	55,880	43,821	41,185	Spun Silk Textiles	"	1,581	1,741	2,112
Iron Bars	"	1,798	1,738	1,617	Rayon Textiles	"	78,432	75,246	77,620
Iron Tubes Materials	"	22,918	25,587	14,383	Rayon Staple Textiles	"	115,596	111,399	130,070
Iron wire	"	40,265	43,555	53,535	Woolen Textiles	"	20,148	19,067	20,805
Iron Sheets (Thick)	"	206,481	201,422	206,726	Best Fibre Textiles	"	10,098	9,247	9,983
Iron Sheets (Thin)	"	52,834	51,279	55,566	Chemicals				
Rolled Special Steel	1,000 Tons	61.9	53.3	43.9	Ammonium	1,000 Tons	90.6	80.4	98.2
Iron Tubes	Ton	57,787	50,720	45,675	Ammonium Sulphate	"	238.7	212.7	215.0
Gas-welded steel tubes	"	9,106	8,918	7,098	Superphosphate of Lime	"	148.3	126.8	132.6
Forged Steel	"	19,068	18,577	17,278	Carbide	"	110.8	94.9	90.2
Cast Steel	"	24,744	24,588	23,765	Calcium Cyanamide	"	21.4	23.4	32.2
Tin-Plates	"	19,422	20,456	19,808	Synthetic Chem. Fertilizers ..	"	101.1	98.9	103.3
Galvanized Sheets	1,000 Tons	54.3	55.2	61.7	Caustic Soda	"	63.1	56.2	52.0
Machinery & Machine Tools					Soda Ash	"	31.8	29.9	30.9
Steam Boilers	Ton	1,644	2,745	6,062	Synthetic Hydrochloric Acid ..	Ton	25,184	23,541	21,336
Steam Turbines	KW.	101,000	13,000	96,500	Bleaching Powder	"	1,222	1,477	1,086
Water Turbines	"	26,600	67,580	74,830	Liquid Chlorine	"	9,005	8,448	8,175
Gasoline Engines	HP.	40,332	38,762	46,845	Crude Benzol	"	10,349	10,158	10,690
Oil Burners	"	48,976	52,374	45,780	Refined Benzol	"	4,927	4,618	4,698
Petroleum Engines	"	28,356	37,145	31,178	Pure Toluol	"	894	858	926
Machine Tools	1,000 Pcs.	2,860	2,899	..	Industrial Explosives	"	2,839	2,461	2,751
Drills	"	1,924	2,035	1,881	Paper & Pulp				
Transmitters	1,000 Tons	1,182	1,067	1,023	Pulp	Long Ton	214,727	213,370	203,467
Cogs	"	749	698	786	Western Style Papers	1,000 lb.	349,013	338,539	320,232
Thrashing Machines	Units	16.8	20.2	28.7	Ceramics				
Hulling Machines	"	4.9	5.1	6.0	Firebricks	1,000 Tons	105.0	100.1	97.8
Rice-cleaning Machines	"	3,956	5,404	6,170	Chinawares	"	40.4	40.9	42.2
Air Compressors	Ton	736	928	790	Glass Products	"	47.2	43.0	42.5
Pumps					Red Bricks	Mil. pcs.	23.2	24.7	26.3
Refrigerators	Ton	2,519	2,526	2,380	Sheet Glass	1,000 Boxes	713	729	756
Conveyers	"	842	1,196	750	Cement	1,000 Tons	1,186	1,197	1,291
Cranes	"	3,256	3,088	3,470	Miscellaneous				
Winches	"	3,511	2,252	2,170	Automobile Tires	1,000 pcs.	423.4	381.9	370.4
Elevators	"	740	627	960	Metal Toys	"	25,813	26,189	26,406
R. Staple Weaving Machines ..	Units	1,370	1,399	1,121	Pencils	1,000 Gross	499	492	503
Cotton Weaving Machines ..	"	3,129	2,792	2,073	Needles	Mil. pcs.	156	199	207
Wool Weaving Machines	Tons	212	271	275	Match				
Sewing Machines	1,000 Unit	180.2	190.8	194.6	Match	Match tons	38.4	40.5	36.2
Lathes	Units	223	245	..	Piano	Sets	1,938	1,848	1,696
Drilling Machines	1,000 Tons	728	725	750	Leathers	Ton	7,094	6,927	7,325
Millwork Power Generators ..	KVA	307.1	25.4	..					

Source: Ministry of International Trade & Industry.

Note: ^ Revised at source. ^ Provisional figures.

22. Machinery Orders (in ₹ million) (Economic Planning Board)

Items	1955	1956	1957					1956
	Average	Average	Apr.	May	June	July	August	August
By Products								
Prime Movers	3,183	7,725	9,171	14,565	4,230	6,158	6,500	7,863
Heavy Electric Machinery	4,621	9,696	16,742	14,983	16,275	12,259	9,632	10,138
Communication Apparatus	1,448	2,291	4,540	2,554	4,985	2,503	2,867	3,150
Industrial Machinery	5,890	12,531	17,471	11,207	16,109	11,130	8,298	14,074
Machine Tools	159	567	1,200	886	743	567	459	689
Rolling Stocks	1,738	2,380	2,309	5,377	5,566	6,020	2,716	3,090
Ships	13,832	23,626	3,975	23,837	25,457	38,023	7,273	36,636
Total of the Above	30,871	58,810	55,408	78,409	73,365	76,660	37,745	75,640
Iron & Steel Frames	1,187	1,514	2,562	2,224	2,238	2,201	1,294	1,205
Bearings	986	1,611	2,084	1,913	1,994	1,895	1,563	1,715
Electric Wires & Cables	4,013	4,390	8,333	7,169	7,250	6,830	6,381	5,222
By Customers								
Foreign Sources	21,093	17,041	2,456	15,420	23,828	1,988	4,176	30,663
Government	3,193	4,620	8,135	6,333	8,996	9,393	7,675	5,014
Private	14,279	35,266	41,721	53,754	38,198	63,431	23,880	38,072
Manufacturing	6,711	17,112	27,621	22,054	19,812	14,168	11,200	19,106
Textiles	1,244	2,809	3,272	2,128	1,524	699	1,519	2,913
Chemicals	1,765	4,831	5,320	5,284	5,961	4,440	2,292	5,302
Iron & Steel	834	3,087	7,591	6,787	7,583	4,970	3,772	3,137
Machinery, Shipbuilding	1,927	4,713	9,235	5,582	3,629	2,804	2,751	5,494
Others	941	1,691	2,203	2,276	1,111	1,256	866	2,260
Non-Manufacturing	7,569	18,154	14,103	31,699	18,385	49,265	12,679	18,965
Transportation	3,107	8,635	1,903	10,258	4,312	37,708	4,460	10,060
Electric Power	2,545	6,247	6,657	14,460	9,001	8,066	4,261	5,757
Coal Mining	249	785	817	909	714	556	999	507
Agriculture, Forestry, Fishery	593	851	1,136	2,080	830	662	1,099	835
Others	1,075	1,909	3,590	3,992	3,528	2,243	1,860	1,806
Sales Agents	1,304	1,881	3,091	2,893	2,342	1,842	2,011	1,888
Total Orders	30,871	58,810	55,408	78,409	73,365	76,660	37,745	75,640
Orders Outstanding	286,699	617,917	745,146	780,595	790,174	784,056	785,947	507,383
Sales Total	19,913	31,447	41,839	40,732	49,061	42,778	44,397	36,612

23. Electric Energy Consumption (1,000 KWH)

Supplied by Power Companies (Over 500 kw)					Industries	Self-generated				
1957				1956		1957				1956
April*	May*	June*	July*	July*		March	April	May	June	June
238.6	249.8	245.1	263.0	237.5	Mining	45,658	48,281	48,758	45,517	48,708
34.5	39.4	▲ 39.7	43.1	36.8	Foodstuffs	905	2,565	2,997	2,604	825
188.3	201.9	▲ 198.0	208.3	176.0	Spinning	2,515	1,557	1,221	1,457	1,054
235.7	259.7	256.2	263.9	212.9	Paper & Pulp	79,610	59,772	63,412	62,113	63,909
851.7	1,105.9	962.3	1,065.9	918.2	Chemicals	209,675	215,400	246,547	232,284	237,923
14.0	16.5	16.1	17.5	13.5	Oil & Coal Products	3,779	3,082	3,287	3,658	2,231
22.6	23.5	22.7	24.0	18.7	Rubber Goods	—	—	—	—	—
77.2	85.6	▲ 82.6	89.4	59.3	Glass & Ceramics	122,412	119,293	121,247	117,235	109,074
700.3	820.7	758.5	808.9	608.6	Primary Metals	210,358	210,355	243,639	236,890	252,919
8.6	9.3	▲ 9.0	9.7	7.2	Metal Products	—	—	—	—	—
39.1	40.5	39.9	43.1	34.4	Machinery	370	289	45	299	214
62.8	72.8	72.8	76.8	54.9	Electric Machinery & Tools	—	—	—	—	—
80.4	85.3	82.4	86.6	68.2	Transportation Machinery & Tools	—	10	—	2	—
10.2	11.5	▲ 11.4	12.8	11.7	Other Manufacturing	—	—	—	—	—
2,325.4	2,772.5	2,551.6	2,750.0	2,220.5	Manufacturing Total	629,639	612,323	682,395	656,542	668,149
294.6	300.1	▲ 281.3	297.5	265.0	Public Utilities	220	174	237	181	210
100.7	107.1	▲ 117.4	129.4	113.5	Others	—	▲ 48	▲ 53	292	—
2,959.3	3,429.5	▲ 3,439.9	3,439.9	2,886.0	Total	675,517	660,826	731,443	702,532	717,282

24. Coal Supply & Demand (1,000 metric tons)

Year & Month	Production	Stock Deliveries			Deliveries			Others	Home Consumption	Month-end Stocks		
		Coal Dealers	Large User Factories	Adjustment	Total	Deliveries	of which Exports			Total	Coal Dealers	Large User Factories
1956: Total	4,187	(*) 54	(*) 188	(*) 3	4,244	4,439	28	(*) 195	4,404	3,865	1,287	2,578
1957: April	4,440	(*) 184	(*) 254	(*) 6	4,262	4,414	9	(*) 152	3,999	3,759	1,418	2,341
May	4,477	(*) 141	(*) 719	(*) 9	4,345	4,530	51	(*) 185	3,611	4,312	1,559	3,060
June	4,312	(*) 48	(*) 546	(*) 17	4,281	4,371	7	(*) 90	3,728	5,091	1,607	3,484
July	4,363	(*) 108	(*) 810	(*) 24	4,279	4,438	2	(*) 159	3,467	6,009	1,715	4,294
August	3,977	(*) 75	(*) 561	(*) 13	3,915	4,134	—	(*) 219	3,354	6,645	1,790	4,855
1956: August	3,668	(*) 53	(*) 1	(*) 5	3,726	3,928	43	(*) 201	4,684	5,680	2,073	3,607

25. Supply & Demand of Pig-iron and Steel Materials (In tons) (MITI)

Year & Month	Pig iron			Steel Materials					
	Production	Deliveries	In Stock	Steel			Special Steel		
				Production	Deliveries	In Stock	Production	Deliveries	In Stock
1956: Total	5,987,104	1,255,685	87,196	8,185,676	6,275,251	297,624	494,765	373,749	23,433
1957: April	558,523	107,887	115,015	820,074	613,436	327,169	56,890	42,692	21,900
May	601,399	119,191	117,362	828,531	635,793	326,588	63,113	45,642	24,864
June	586,857	123,539	133,651	799,649	580,862	354,552	64,909	48,515	27,591
July	617,590	139,726	149,099	799,184	599,159	360,905	61,896	46,581	28,762
August	597,811	113,088	224,275	782,407	582,530	380,190	53,270	37,685	32,525
1956: August	501,253	105,882	73,427	694,212	544,177	268,992	42,450	30,414	20,117

Notes: 55 machinery companies together with 18 iron frame, bearing & electric wire companies are surveyed for Table 22. * in Table 23 indicate that the unit is in million KWH. Table 24 does not include import coal. Others in "Demand" column is the balance of sales volume by un-authorized sales agents plus dust coal output. "At Collieries" column includes the coal stocks on the seaboard mines.

26. Supply & Demand of Textile Products

(MITI. Central Raw Silk Association)

Year & Month	Cotton Yarn (1,000 lb.)				Rayon Yarn (1,000 lb.)				Raw Silk (123 lb. bale)			
	Carry-overs	Receipts	Deliveries	Month-end Stocks	Carry-overs	Receipts	Deliveries	Month-end Stocks	Production	Exports	Home Deliveries	Term-end Stock
1957: Feb.	9,342	90,997	91,702	8,638	5,249	29,870	29,467	5,652	23,649	4,654	19,341	13,746
Mar.	8,638	93,290	93,669	8,259	5,652	32,771	31,680	6,743	25,195	5,064	20,819	13,058
Apr.	8,259	90,895	88,860	10,294	6,743	30,644	30,741	6,646	23,265	4,926	19,547	11,840
May.	10,294	86,544	89,761	7,077	6,646	32,256	32,510	6,392	21,545	4,652	18,261	10,472
June.	7,077	87,738	85,585	9,230	6,392	32,348	32,265	6,475	20,765	5,083	16,550	9,604
July.	9,230	74,756	76,568	7,418	6,475	30,333	29,472	7,336	32,074	6,892	21,495	13,276
August ..	7,418	73,135	74,371	6,182	7,336	28,010	29,446	5,903	29,789	7,916	20,868	14,150
1956: August ..	7,528	84,180	85,537	7,201	2,603	29,234	28,176	3,661	29,969	7,987	21,212	12,746

Year & Month	Cotton Textiles (1,000 sq. yds)				Rayon Yarn (1,000 sq. yds)				Silk Textiles (1,000 sq. yds)	
	Carryovers	Receipts	Deliveries	Month-end Stocks	Carryovers	Receipts	Deliveries	Month-end Stocks	Production	Exports
1957: Feb.	194,461	485,040	473,376	206,125	76,789	152,289	155,168	73,910	17,333	4,238
Mar.	206,125	509,798	501,266	214,657	73,910	158,221	157,090	75,041	17,474	5,094
Apr.	214,657	529,984	508,840	235,801	75,041	138,227	137,511	75,757	18,630	2,094
May.	235,801	558,882	551,589	243,094	75,757	140,830	140,801	75,786	18,909	5,174
June.	243,094	546,301	548,553	240,842	75,786	73,780	137,793	73,305	18,834	5,116
July.	420,842	520,068	535,588	225,322	73,305	139,142	138,546	73,901	19,024	..
August ..	225,322	500,203	498,802	226,723	73,901	144,537	141,793	77,645	17,863	..
1956: August ..	192,732	486,722	472,388	207,066	71,826	160,177	157,333	74,683	15,438	3,740

27. Supply & Demand of Paper and Pulp

Year & Month	Pulp (long ton)				Paper, Western Style (in 1,000 pounds)			Cardboard & Japanese Style Paper (in 1,000 pounds)			
	Production	For Paper	Deliveries	In Stock	Production	Deliveries	Self-Consumption	Production	Deliveries	Self-Consumption	In Stock
1957: Feb.	188,790	99,942	88,182	29,016	296,400	298,238	8,640	99,033	507,112	494,975	22,411
Mar.	203,373	109,294	94,685	28,410	324,613	313,074	10,498	100,079	550,072	523,030	23,811
Apr.	198,117	106,796	87,269	32,462	323,865	304,363	9,262	107,318	551,556	520,067	23,791
May.	210,584	115,149	94,303	33,603	339,924	321,932	10,429	114,882	581,037	547,217	24,579
June.	209,506	113,033	95,599	34,477	336,562	308,037	10,475	132,932	569,552	521,942	25,648
July.	214,727	117,141	89,268	42,795	349,013	302,067	10,997	168,881	585,063	513,148	26,096
August ..	213,370	115,256	88,362	52,547	338,533	290,494	10,628	206,291	561,543	485,044	25,090
1956: August ..	185,420	99,171	85,904	29,146	296,560	295,764	9,467	143,470	480,872	472,723	21,594

28. Supply & Demand of Soda and Ammonium Sulphate

(In metric tons)

Year & Month	Ammonium Sulphate			Soda Ash			Caustic Soda		
	Production	Deliveries	In Stock	Production	Deliveries	In Stock	Production	Deliveries	In Stock
1957: March	172,930	235,321	128,500	34,386	32,656	7,566	60,950	54,346	7,565
April.....	194,880	246,429	69,119	33,752	29,390	10,689	59,769	49,536	9,809
May	236,761	235,922	59,760	32,624	31,359	64,457	52,764	49,353	12,398
June	216,102	183,204	86,829	33,040	29,324	11,344	63,373	50,418	15,474
July	238,673	174,797	146,298	31,817	30,697	10,506	63,086	49,353	19,443
August	212,729	208,573	146,178	29,889	27,387	11,161	56,237	46,340	20,363
September	215,578	190,376	166,656	30,873	28,757	11,753	52,342	44,799	19,033
1956: September	192,580	159,754	163,680	31,325	30,579	7,395	56,352	49,023	10,924

29. Supply & Demand of Cement

(In tons)

Year & Month	Production	Consumption	Deliveries			Month-end Stocks
			Export	Home sales	Total	
1957: Feb.	1,158.5	6.0	160.2	970.5	1,130.7	291.8
Mar.	1,293.8	8.8	190.3	1,135.3	1,325.6	251.8
Apr.	1,391.9	7.9	169.1	1,148.4	1,317.5	318.4
May	1,405.5	7.6	173.8	1,186.7	1,360.5	355.7
June	1,321.6	8.5	154.4	1,098.3	1,252.8	415.9
July	1,186.1	6.4	141.3	1,029.7	1,171.0	424.6
August ..	1,192.2	6.6	140.9	1,120.7	1,267.7	347.5
1956: August ..	1,158.1	5.6	192.1	1,159.3	956.4	398.1

30. Supply & Demand of Rubber

(Crude Rubber tons)

Year & Month	Production (A)	Deliveries (B)	Month-end Stocks	Delivery Rates (B)/(A)	Stock Rates (C)/(A)
1957: Feb.	9,723	9,668	3,577	99	37
Mar.	10,562	10,403	3,811	98	36
Apr.	10,733	10,456	4,118	97	38
May	11,146	10,850	4,472	97	40
June	10,977	10,424	5,131	95	47
July	10,917	10,480	5,693	96	52
August ..	10,267	10,465	5,563	102	54
1956: August ..	8,730	9,255	3,658	106	42

31. Department Store Sales

(In million yen)

(MITI)

By Month	No. of Stores	Total	Clothing	Sundry Goods	Household Utensils	Provisions	Dining Room	Services	Outside Store Sales	Others	Gift Certificates
1957: March	174	25,978	12,602	5,580	2,674	3,782	818	223	22	276	411
April	174	23,904	11,158	5,290	2,815	3,369	777	227	21	247	301
May.....	175	21,185	9,645	4,422	2,744	3,188	696	193	20	278	211
June.....	178	22,232	10,685	4,363	2,887	3,125	684	163	18	307	228
July	178	29,719	13,627	5,502	3,459	5,787	809	188	22	326	867
August	189	21,823	8,212	4,585	2,630	5,036	953	172	16	270	538
1956: August	163	17,816	6,691	3,813	2,072	4,104	702	139	24	272	444

32. JPA Procurement Contracts (In \$1,000)

Year & Month	Monthly			Cumulative total as from June 26, 1950		
	Total	Merchandise	Services	Total	Merchandise	Services
1956 Average	13,874	5,772	8,102	—	—	—
1957: February	8,138	5,006	3,132	▲ 1,948,779	▲ 1,094,600	▲ 854,109
March	10,977	5,077	5,900	▲ 1,959,847	▲ 1,099,733	▲ 860,114
April	15,165	9,353	5,812	▲ 1,975,012	▲ 1,109,086	▲ 865,926
May	12,908	7,334	5,574	▲ 1,987,891	▲ 1,116,395	▲ 871,496
June	40,997	20,819	20,678	▲ 2,029,000	▲ 1,136,735	▲ 892,265
July	73,119	58,406	14,713	▲ 2,102,119	▲ 1,195,141	▲ 906,978
August	12,688	3,509	9,179	▲ 2,114,807	▲ 1,198,650	▲ 916,157
September	7,850	2,297	5,553	▲ 2,122,657	▲ 1,200,947	▲ 921,710
1956: September	4,857	2,343	2,514	1,838,825	1,052,312	786,513

33. JPA Procurement Payments (In \$1,000)

Year & Month	Monthly			Cumulative total as from June 26, 1950		
	Total	U.S.'s Burden	Japan's Burden	Total	U.S.'s Burden	Japan's Burden
1956 Average	28,732	21,380	7,352	—	—	—
1957: January	24,526	17,859	6,667	2,652,529	2,047,578	604,951
February	24,734	14,734	10,000	2,677,263	2,062,312	614,951
March	23,596	13,596	5,000	2,700,859	2,080,908	619,951
April	24,770	18,937	5,833	2,725,629	2,099,845	625,784
May	21,569	16,569	5,000	2,747,198	2,116,414	630,784
June	28,962	18,962	10,000	2,776,160	2,135,376	640,784
July	31,755	22,309	9,446	2,807,915	2,157,685	650,230
August	26,017	21,016	5,001	2,833,932	2,178,701	655,231
1956: August	29,930	24,930	5,000	2,503,282	1,934,998	568,284

34. Exports and Imports by Value

Year & Month	Value (In \$1,000)			Value (In million yen)		
	Exports	Imports	Balance	Exports	Imports	Balance
1956 Total	2,500,636	3,229,734	↔ 729,058	900,229	1,162,704	↔ 262,475
1957: March	274,073	392,958	↔ 118,886	98,666	141,465	↔ 42,799
April	224,538	433,030	↔ 208,492	80,834	155,891	↔ 75,057
May	236,821	452,708	↔ 215,887	85,256	162,975	↔ 77,719
June	209,803	392,872	↔ 183,069	75,529	141,434	↔ 65,905
July	250,791	389,067	↔ 138,276	90,285	140,064	↔ 49,779
August	▲ 257,607	362,275	▲ 104,668	92,738	130,419	↔ 37,681
September	▲ 259,278	▲ 319,508	▲ 60,230	▲ 93,340	▲ 115,023	▲ 21,683
October	225,111	306,422	↔ 81,311	81,040	110,312	↔ 29,272
1956: October	306,422	304,773	↔ 70,962	84,172	109,718	↔ 25,546

35. Exports and Imports by Settlement Area

(In 1,000 dollars)

Year & Month	Exports				Imports			
	Total	Dollar	Sterling	Open Account	Total	Dollar	Sterling	Open Account
1956 Total	* 2,500,636	1,095,272	906,457	498,897	* 3,229,734	1,725,151	1,057,476	447,020
1957: January	* 168,991	78,808	67,557	22,625	* 327,965	177,263	116,852	33,851
February	* 213,239	89,357	94,058	27,666	* 344,205	194,536	118,368	31,300
March	* 274,073	124,258	112,781	34,046	* 392,958	208,073	149,118	37,767
April	* 224,538	103,533	85,064	30,933	* 433,030	221,241	173,707	38,078
May	* 236,821	113,074	93,918	29,824	* 452,708	252,617	164,165	35,897
June	209,803	92,397	83,701	33,705	* 392,872	223,715	139,287	29,855
July	250,791	104,042	120,987	25,762	* 389,067	220,725	145,154	23,178
August	257,607	114,926	114,970	27,711	* 362,275	199,484	144,055	18,728
1956: August	215,809	96,655	76,336	42,818	* 289,389	145,459	104,322	39,588

36. Foreign Exchange Receipts and Payments by Month

(In 1,000 dollars)

Year & Month	Receipts			Payments			Balance
	Exports	Invisible	Total	Imports	Invisible	Total	
1956 Total	2,402,241	822,521	3,224,763	2,470,199	461,229	2,931,429	293,334
1957: February	212,506	64,160	276,667	278,260	61,618	339,879	↔ 63,211
March	226,859	72,895	299,754	302,741	51,285	354,027	↔ 54,272
April	223,663	74,606	298,270	301,699	53,381	355,081	↔ 56,810
May	228,696	81,106	309,802	349,092	57,818	406,910	↔ 197,108
June	205,312	80,228	285,540	340,217	59,090	399,307	↔ 113,766
July	240,792	75,765	316,557	367,375	59,794	418,170	↔ 101,613
August	249,951	73,705	320,656	342,469	47,578	390,048	↔ 69,392
September	220,148	68,398	288,546	305,522	38,506	344,028	↔ 55,482
1956: September	187,968	68,839	256,807	207,036	30,908	237,945	↔ 18,862

Notes: The yen-base contracts in Table 32 are those contracts which the Japanese Government pays for according to the article 25 of the Japan-America Administrative Agreement out of "defense expenses." * includes optional cargoes in exports and imports from such special sources as pelagic fisheries, Japanese territorial waters, foreign territorial waters, and high seas in Imports.

37. Exports and Imports by Country

(In million yen)

Settle- ment Area	Countries	Exports					Imports				
		1956 Total	May 1957	June 1957	July 1957	August 1957	1956 Total	May 1957	June 1957	July 1957	August 1957
	Total Exports or Imports ..	900,229	85,256	75,529	90,285	92,738	1,162,704	162,975	141,435	140,064	130,419
	Asia Total	367,989	34,398	31,178	35,076	34,701	377,253	45,501	41,664	39,016	37,356
0	Korea	22,898	2,742	2,957	2,172	1,284	4,00	343	475	362	243
£A	China	24,242	2,113	1,477	1,950	1,393	30,103	3,337	2,950	3,853	2,114
\$	Ryukyu Islands	24,241	1,787	1,824	1,951	2,033	7,991	895	532	508	231
£	Hong Kong	48,406	2,874	2,821	3,055	3,495	6,725	1,087	946	915	1,267
0	Formosa	28,029	1,630	2,080	1,984	4,134	16,383	2,596	1,594	689	501
	Southeast Asia Total	235,173	21,955	20,120	22,807	22,407	217,261	23,009	21,262	19,042	19,533
\$	South Viet Nam	19,238	2,203	2,503	1,659	1,460	568	406	367	70	293
£A	Thailand	21,922	2,440	1,916	2,104	2,219	12,641	1,974	2,174	1,040	389
£	Malayan Union	5,652	429	375	381	416	38,986	5,564	4,974	6,368	6,427
£	Singapore	22,396	1,753	1,575	1,748	2,117	10,933	1,696	1,425	899	836
0	Philippines	19,981	3,127	3,338	3,385	2,824	42,033	3,898	4,221	4,359	3,441
£	British Borneo	366	38	23	29	39	10,997	1,333	1,070	1,239	966
0	Indonesia	27,282	850	1,501	4,193	2,628	32,035	2,819	2,036	1,305	1,282
£	Burma	13,057	2,717	1,957	1,723	1,886	15,254	869	469	131	124
£	India	37,907	4,640	2,806	3,163	3,383	37,229	3,161	3,464	2,822	4,732
£	Pakistan	6,363	345	413	511	855	18,224	1,178	960	734	507
£	Ceylon	8,733	418	797	537	783	1,172	202	54	223	196
\$	Iran	6,877	1,058	464	1,223	799	6,142	732	886	801	1,403
£	Iraq	7,218	770	526	766	563	4,502	1,114	624	1,368	857
£	Aden	2,888	503	433	327	261	1,216	315	208	230	71
\$	Saudi Arabia	2,932	195	159	183	148	49,784	7,002	7,149	5,521	6,166
£	Kuwait	2,876	375	175	556	439	14,609	2,141	2,399	2,826	2,079
0	Turkey	2,290	51	34	7	24	378	8	257	—	20
£	Jordan	824	148	132	117	156	81	—	—	—	—
\$	Syria	1,893	292	193	220	276	1,054	136	436	82	48
\$	Lebanon	857	234	124	167	148	404	42	113	12	121
	Europe Total	90,135	9,091	8,793	12,972	12,187	83,334	17,134	12,186	12,922	12,439
£A	Sweden	5,880	677	764	767	739	2,508	502	433	592	507
£A	Denmark	3,637	1,542	303	1,482	266	1,013	142	182	156	130
£	United Kingdom	22,749	1,766	1,778	4,475	2,450	23,969	4,280	3,514	3,185	3,512
0	Netherlands	9,646	822	900	790	977	4,361	683	407	546	451
	Belgium & Luxemburg										
\$	Economic Union	5,141	523	414	469	510	4,180	1,280	1,213	563	614
£A	France	5,056	545	848	549	425	7,774	1,075	504	727	897
£A	West Germany	13,106	1,456	1,392	1,918	2,266	20,221	6,745	3,978	4,674	4,798
£A	East Germany	1,568	70	88	89	103	2,858	445	16	172	6
\$	Switzerland	3,566	299	316	331	335	5,043	919	684	874	549
\$	Spain	4,974	253	168	40	68	5,456	233	79	4	24
£A	Italy	6,005	396	345	379	500	3,513	296	345	166	206
£A	Norway	527	51	63	1,278	2,584	147	145	75	299	209
0	Finland	595	47	33	32	20	557	66	562	462	36
£A	Austria	1,653	147	131	139	119	347	193	56	173	226
	North America Total	234,301	19,359	21,130	24,586	26,254	516,063	75,712	67,321	67,787	58,722
\$	Canada	24,885	1,818	1,992	2,270	1,919	51,885	5,272	5,162	6,945	5,774
\$	U.S.A.	195,590	16,208	17,540	20,977	21,284	383,254	64,649	56,178	54,501	45,374
\$	Mexico	2,548	186	150	232	289	46,119	1,995	903	681	1,094
\$	Cuba	1,366	188	191	207	194	22,138	3,294	2,748	4,224	5,455
\$	Panama	1,594	138	195	165	1,416	92	7	2	1	0
\$	Colombia	2,662	66	66	222	201	608	46	4	9	7
\$	Ecuador	438	28	46	50	45	99	4	43	10	10
	South America Total	48,273	2,236	2,012	3,064	2,820	45,960	4,330	1,977	4,499	6,651
\$	Peru	3,010	287	288	341	309	3,243	1,545	652	1,566	2,315
0	Brazil	16,256	733	556	805	631	18,075	1,649	744	1,886	1,570
£A	Argentina	14,016	168	172	429	187	12,963	162	172	206	2,054
\$	Chile	2,682	168	176	179	222	1,698	286	132	77	389
	Africa Total	141,300	18,555	10,866	12,082	14,661	36,520	3,216	4,836	2,998	2,899
0	Egypt	3,741	595	776	878	956	15,505	703	1,517	999	930
\$	Nigeria & Ghana	26,621	1,715	2,145	2,126	2,411	224	33	79	72	79
\$	Liberia	81,233	12,347	3,871	4,343	7,177	484	6	1	1	1
\$	Belgian Congo	1,361	125	157	148	165	58	42	24	320	17
£	British East Africa	6,017	850	1,029	1,300	1,124	5,630	579	910	183	467
£	Union of South Africa ..	12,465	1,478	1,638	1,921	1,590	9,492	1,279	1,756	1,107	786
	Australia & Oceania Total ..	18,227	1,613	1,551	2,105	2,115	103,542	17,070	13,447	12,838	12,347
£	Australia	11,114	1,103	1,067	1,143	1,274	89,436	14,214	9,379	10,451	9,067
£	New Zealand	2,138	185	160	400	175	3,387	1,387	2,128	550	1,160
\$	Hawaii	2,499	248	129	276	337	381	292	190	21	220
0	New Caledonia	387	5	41	153	19	6,137	908	1,124	1,028	1,605
0	French Oceania	45	2	1	0	0	1,523	91	236	136	45
\$	Guam	525	2	40	48	49	584	21	138	7	0

Source: Finance Ministry.

Note: 0 denotes open account area; \$, dollar area; £, sterling area. £A stands for Specified Area A and B.

38. Exports by Major Articles

(In million yen)

Articles	Unit	1956		1957							
		Total		May		June		July		August	
		Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Food	—	—	63,797	—	4,049	—	4,529	—	6,317	—	5,803
Fish & Shellfish	m.t.	196,489	43,427	9,788	2,237	14,836	2,601	20,454	4,191	21,186	3,956
Canned, Bottled Fish	"	108,359	32,181	6,008	1,660	7,002	1,608	10,568	2,950	10,334	2,494
Cereals	"	—	970	—	48	—	38	—	50	—	53
Fruit & Vegetables	m.t.	127,118	9,963	9,328	1,177	10,012	1,268	12,167	1,235	8,863	1,024
Sugar & Sugar Preparations	"	—	798	—	18	—	78	—	90	—	26
Tea	1,000 lbs.	22,579	2,035	910	81	922	104	2,147	229	2,492	233
Beverage & Tobacco	—	—	959	—	76	—	114	—	153	—	103
Beverages	—	—	664	—	58	—	62	—	64	—	59
Tobacco	—	—	295	—	18	—	52	—	89	—	44
Raw Materials	—	—	34,197	—	2,536	—	2,593	—	2,926	—	3,185
Lumber	cu.m.	546,344	10,257	35,057	766	31,951	653	37,362	762	39,078	736
Textile, Fibre	1,000 lbs.	68,821	19,876	6,444	1,458	9,437	1,679	9,113	1,893	6,498	2,140
Raw Silk	"	9,957	15,046	632	983	666	1,010	853	1,278	1,067	1,630
Fertilizers & Mineral Products	"	—	192	—	23	—	16	—	28	—	21
Animal & Vegetable Materials	—	—	3,000	—	217	—	199	—	199	—	246
Coal & Petroleum	—	—	4,060	—	236	—	140	—	99	—	72
Animal & Vegetable Oils	—	—	8,913	—	566	—	428	—	475	—	1,038
Animal Oil	m.t.	—	7,813	3,164	443	1,294	290	358	208	7,933	795
Cod-liver Oil	"	3,962	1,862	194	203	208	201	266	202	332	234
Vegetable Oil	"	8,191	1,070	1,261	150	1,165	137	2,384	266	2,092	240
Chemicals, Drugs	—	—	38,403	—	4,799	—	3,836	—	4,193	—	4,267
Pharmaceuticals	—	—	3,765	—	477	—	409	—	441	—	353
Chemical Fertilizers	m.t.	919,490	17,923	137,025	2,911	99,206	2,078	105,636	2,299	101,841	2,266
Manufactured Products by Materials	—	—	461,491	—	40,842	—	39,769	—	45,473	—	44,032
Rubber Goods	—	—	8,290	—	934	—	711	—	772	—	846
Tyres & Inner Tubes	m.t.	17,230	6,793	1,937	783	1,520	564	1,603	625	1,605	649
Wood & Cork Products	—	—	19,688	—	2,022	—	2,035	—	2,227	—	2,328
Paper & Related Products	m.t.	113,853	10,389	9,263	955	8,116	815	9,218	949	7,940	809
Textile Yarns & Fabrics	—	—	249,585	—	22,775	—	23,661	—	26,210	—	25,315
Woollen Yarn	1,000 lbs.	7,276	4,918	522	388	758	505	976	693	1,133	816
Cotton Yarn	"	27,294	9,448	2,789	756	1,806	504	3,574	1,112	2,682	843
Rayon Yarn	"	18,591	3,253	2,906	534	2,228	409	2,573	470	2,036	371
Spun Rayon Yarn	"	33,536	5,779	1,792	303	1,912	327	11,240	1,996	3,953	708
Cotton Fabrics	1,000 sq. yds.	1,262,049	95,989	121,795	9,307	133,990	10,163	112,679	9,135	132,673	10,149
Silk Fabrics	"	47,884	9,074	4,451	784	5,287	950	4,976	912	6,642	1,177
Woollen Fabrics	"	22,328	12,017	2,136	1,207	2,505	1,361	2,249	1,273	1,454	805
Artificial Fibre Fabrics	"	1,165,827	79,867	104,709	6,812	107,017	6,787	122,856	7,734	121,757	7,471
Non-Metallic Mineral Products	—	—	41,241	—	3,707	—	3,555	—	3,672	—	3,962
Cement	m.t.	2,111,670	13,681	191,566	1,266	195,025	1,289	154,679	983	190,766	1,179
Glass Products	—	—	5,692	—	463	—	452	—	478	—	474
China ware	—	—	17,818	—	1,601	—	1,440	—	1,752	—	1,866
Precious Metals & Gems	—	—	9,724	—	946	—	766	—	887	—	752
Pearls	kg.	24,581	4,842	1,899	639	1,525	420	1,853	488	1,690	401
Base Metals	—	—	98,497	—	7,379	—	6,414	—	8,748	—	7,730
Iron & Steel	m.t.	1,290,540	80,420	77,076	6,092	55,810	4,979	88,328	7,300	82,887	6,507
Steel Bars & Shapes	"	239,337	8,903	5,641	235	3,702	169	2,614	130	—	—
Steel Plates (ungalvanized)	"	224,552	14,885	15,926	1,195	16,352	1,307	14,805	1,140	13,471	1,011
Copper	"	8,866	3,574	396	143	414	153	210	78	474	158
Nickel	"	3,413	4,485	230	397	313	552	384	586	268	470
Aluminium	"	10,221	2,687	337	111	262	83	298	96	328	103
Metal Products	—	—	23,872	—	2,095	—	1,786	—	1,979	—	2,256
Machinery & Transportation Equipment	—	—	174,095	—	21,236	—	12,679	—	17,413	—	20,672
Machinery (excl. electric machines)	—	—	41,945	—	3,518	—	3,576	—	3,919	—	3,833
Metal Processing Machines	—	—	981	—	99	—	185	—	191	—	182
Textile Machines & Parts	—	—	13,203	—	766	—	771	—	864	—	810
Sewing Machines & Parts	—	—	14,231	—	1,438	—	1,287	—	1,377	—	1,511
Electric Machines	—	—	18,293	—	2,047	—	2,261	—	2,332	—	2,638
Gen. Motors, Trans. & Alternators	—	—	2,327	—	189	—	357	—	241	—	244
Electric Bulbs	1,000 pcs.	233,440	2,079	27,271	293	25,012	254	32,225	332	35,651	368
Transportation Equipment	—	—	113,857	—	15,671	—	6,842	—	11,162	—	14,201
Railway Rolling Stock	—	—	10,307	—	1,174	—	842	—	1,363	—	1,352
Buses, Trucks	unit	1,541	2,900	274	270	505	707	238	268	242	259
Bicycles & Parts	—	—	3,401	—	322	—	188	—	244	—	202
Ships	unit	786	93,590	96	13,603	86	4,801	115	8,867	55	11,977
Miscellaneous	—	—	111,221	—	10,719	—	11,232	—	12,951	—	13,115
Camera	unit	395,857	3,041	40,537	336	46,192	338	45,730	395	67,005	486
Toys	—	—	19,951	—	2,160	—	2,121	—	2,706	—	3,017
Livestock, Pets etc.	—	—	147	—	5	—	4	—	3	—	4
Re-export Goods	—	—	2,946	—	166	—	204	—	282	—	420
Total Exports	—	—	900,229	—	85,256	—	75,529	—	90,285	—	92,738

Note: Figures of group total include others than represented. Figures for value are rounded under one thousand.
Source: Customs Division, Tax Bureau, Ministry of Finance.

39. Imports by Major Articles

(In million yen)

Articles	Units	1956		1957							
		Total		May		June		July		August	
		Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Food	—	—	197,571	—	21,516	—	20,181	—	19,002	—	16,992
Cereals (rice, wheat & barley, etc.) ..	m.t.	4,399,730	132,914	407,551	12,641	411,929	11,793	383,598	10,145	290,842	7,351
Fruit & Vegetables	"	96,575	5,685	17,412	875	15,187	900	24,887	1,012	14,238	646
Sugar & Sugar Preparations	"	1,363,730	48,220	140,344	6,106	115,518	5,711	119,592	6,343	119,012	6,406
Coffee	1,000 lbs.	11,125	2,412	1,250	274	836	177	1,056	223	667	139
Beverage & Tobacco	—	—	3,417	—	65	—	57	—	77	—	45
Tobacco	—	—	3,052	—	18	—	2	—	2	—	0
Raw Materials	—	—	615,744	—	77,271	—	65,235	—	60,820	—	51,306
Hides & Skins	m.t.	76,429	10,995	7,766	1,082	5,926	877	6,789	987	6,282	916
Cow Hide	"	56,770	6,748	6,236	704	4,417	509	5,448	632	4,760	538
Box Calf	"	9,284	2,872	975	260	820	254	663	212	732	214
Oil Seeds	"	1,039,351	48,162	113,467	5,188	93,950	4,277	91,953	4,104	54,853	2,563
Peanuts	"	8,848	780,551	556	57	1,438	143	815	82	1,586	156
Copra	"	40,717	3,047	5,557	376	3,480	247	1,456	96	6,161	391
Soy-beans	"	717,081	30,473	84,943	3,648	73,867	3,149	68,991	2,895	33,045	1,364
Rubber	"	139,054	31,883	17,808	3,838	13,174	2,926	24,126	3,282	13,212	3,049
Crude Rubber	"	106,881	26,457	13,255	3,059	10,354	2,403	10,964	2,550	10,408	2,468
Latex	"	10,077	2,017	1,032	203	949	193	868	171	1,421	279
Synthetic Rubber	"	10,764	3,100	1,769	497	1,117	310	1,738	460	1,013	285
Lumber & Cork	—	—	30,085	—	2,846	—	3,078	—	3,096	—	2,488
Lumber	c.m.	2,586,015	29,189	241,174	2,806	280,519	3,012	290,970	3,009	265,404	2,431
Cork	m.t.	9,180	830	386	33	502	54	779	75	640	49
Pulp & Scrap Papers	—	—	11,295	—	1,886	—	1,455	—	1,952	—	1,493
Fibres & Textiles	1,000 lbs.	2,061,544	277,859	195,475	30,251	153,690	22,250	148,528	20,066	139,364	18,323
Wool	"	324,204	93,119	40,091	14,974	23,017	8,594	22,372	6,977	17,284	6,266
Cotton	"	1,496,116	172,940	133,065	14,120	109,334	12,591	106,671	11,820	101,356	10,883
Cotton, Ginned	"	1,325,182	162,515	11,475	13,216	98,906	11,962	96,882	11,240	86,217	9,968
Cotton Linter	"	45,890	1,087	11,081	304	3,522	97	2,963	93	4,992	138
Waste Cotton	"	125,043	9,338	7,231	600	6,906	532	6,826	486	10,186	776
Hard & Bast Fibres	"	218,895	9,061	20,211	859	18,728	797	20,487	1,011	19,285	988
Jute	"	77,286	2,536	7,410	293	6,766	269	6,054	236	3,397	142
Sisal Hemp	"	36,913	1,286	4,767	168	5,172	158	1,924	64	3,006	86
Manila Hemp	"	69,503	3,513	4,609	252	3,548	197	10,199	637	9,413	560
Fertilizers & Non-metallic Minerals ..	—	—	34,458	—	4,084	—	4,013	—	4,026	—	3,463
Fertilizers	m.t.	1,700,262	15,244	169,318	1,631	153,355	1,487	191,153	1,872	128,099	1,190
Salt	"	2,303,800	10,783	226,447	1,230	174,499	877	147,210	680	163,646	868
Asbestos	"	33,388	2,346	1,980	166	5,810	400	5,044	357	4,209	316
Magnesite	"	93,615	1,673	13,043	365	19,040	482	14,835	395	19,964	497
Metal Ores & Metal Scrap	m.t.	12,196,121	164,379	1,222,429	27,480	1,400,100	25,788	1,572,462	22,748	1,569,856	21,520
Iron Ore	"	7,869,496	52,747	820,034	6,399	787,709	6,247	1,068,845	8,234	1,101,643	9,053
Scrap Iron	"	2,583,542	66,027	385,760	12,743	376,781	11,727	279,624	8,393	185,156	5,607
Non-ferrous Metals	"	1,679,421	27,820	219,287	4,141	222,357	4,504	215,088	4,198	274,624	5,055
Nickel	"	655,142	6,135	86,430	912	97,470	1,127	90,111	1,028	137,887	1,599
Aluminium	"	403,907	2,195	62,223	426	31,478	188	43,165	324	39,075	249
Manganese	"	206,574	3,307	15,430	264	24,579	469	16,514	334	13,983	781
Animal Materials	—	—	2,902	—	254	—	183	—	186	—	173
Vegetable Materials	—	—	3,724	—	391	—	387	—	371	—	317
Coal & Petroleum	—	—	148,553	—	24,549	—	21,859	—	21,133	—	21,984
Coal	m.t.	3,821,166	32,622	572,078	5,719	586,721	5,915	652,027	6,128	710,183	6,870
Anthracite	"	464,493	3,577	79,841	699	70,618	600	72,706	667	58,229	473
Bituminous (for coking)	"	2,963,036	26,314	397,059	4,104	386,522	4,248	353,853	3,596	390,628	4,285
Petroleum	k.l.	15,130,332	112,824	2,048,990	18,144	1,576,321	15,424	1,667,715	14,236	1,768,146	14,826
Crude & Unrefined	"	11,586,911	80,564	1,415,138	11,000	1,017,835	9,402	1,280,002	10,041	1,289,860	9,963
Gasoline	"	152,782	2,652	8,748	178	7,346	145	159	3	10,897	222
Gas Oil	"	106,761	1,113	19,698	235	3,187	38	12,192	147	11,203	131
Heavy Oil	"	3,164,794	25,181	584,939	6,086	518,213	5,192	365,174	3,655	449,592	4,237
Lubricants (excl. grease)	"	52,789	2,597	10,592	522	15,128	456	7,992	363	3,992	242
Petroleum Coke	m.t.	220,494	2,489	44,951	622	18,633	244	31,044	431	12,884	147
Animal & Vegetable Oils	—	—	12,115	—	1,284	—	1,221	—	1,388	—	1,216
Animal Fats & Oils	m.t.	105,957	8,046	11,678	924	11,165	867	13,291	1,039	11,043	892
Vegetable Oils	"	34,023	3,732	2,617	322	3,190	334	2,529	319	2,153	289
Chemicals, Drugs	—	—	58,789	—	8,596	—	5,145	—	5,523	—	5,130
Manufactured Products by Materials ..	—	—	56,040	—	18,224	—	18,540	—	19,959	—	20,156
Hides, Leathers & Furs	—	—	1,343	—	20	—	224	—	97	—	38
Rubber Goods	—	—	499	—	61	—	27	—	50	—	56
Paper & Related Products	m.t.	1,308	314	1,004	74	601	59	211	48	785	124
Textile Yarns & Fabrics	—	—	4,591	—	985	—	608	—	834	—	1,113
Base Metals	m.t.	597,073	42,481	255,670	16,087	318,742	16,841	338,430	18,036	305,517	18,988
Iron & Steel	"	532,497	21,904	237,494	12,182	308,036	14,216	331,689	16,103	290,453	14,183
Non-ferrous Metals	"	64,576	20,577	18,176	3,905	10,706	2,625	6,741	1,934	15,046	3,804
Machinery & Transportation Equipment ..	—	—	58,021	—	9,980	—	7,913	—	10,373	—	9,252
Machinery (excl. electric machines) ..	—	—	33,799	—	7,688	—	6,363	—	8,705	—	6,339
Electric Machines	—	—	8,149	—	710	—	630	—	929	—	603
Transportation Equipments	—	—	11,073	—	1,582	—	925	—	740	—	2,310
Miscellaneous	—	—	11,517	—	1,373	—	1,196	—	1,620	—	1,252
Livestock, Pets etc.	—	—	814	—	7	—	7	—	4	—	4
Re-imports	—	—	123	—	110	—	76	—	163	—	82
Total Imports	—	—	1,162,704	—	162,975	—	141,435	—	140,064	—	130,419

Note: Figures of group total include other items not represented above. Figures for value under one thousand are rounded.

Source: Customs Division, Tax Bureau, Ministry of Finance.

40. Spot Quotations on Tokyo Securities Exchange

Names of Shares	Au- thorized (Paid-up) Capital In mil- lion yen	Divi- dends	1957			Names of Shares	Au- thorized (Paid-up) Capital In mil- lion yen	Divi- dends	1957		
			October		Nov. 15				October		Nov. 15
			High	Low					High	Low	
Mining											
Mitsubishi Metal Mining.....	2,730	15	90	80	82	Nippon Oil	4,500	15	94	86	86
Nihon Mining.....	5,670	14	71	62	64	Showa Oil	2,550	20	122	109	108
Sumitomo Metal Mining.....	2,145	15	79	72	75	Maruzen Oil	5,250	20	119	106	109
Mitsui Metal Mining.....	2,400	18	104	88	94	Mitsubishi Oil	2,400	20	168	155	158
Mitsui Mining.....	3,000	10	88	72	68	Toa Nenryo Kogyo	4,738	25	158	141	157
Mitsubishi Mining.....	2,700	12	108	92	94	Mitsubishi Chemical Ind.	5,950	15	107	97	101
Sumitomo Coal Mining	2,400	12	75	62	63	Rubber, Glass & Ceramics					
Furukawa Mining	2,100	12	113	100	101	Yokohama Rubber.....	2,000	18	159	133	124
Ube Industries	6,000	20	138	118	117	Asahi Glass.....	5,000	28	248	219	227
Teikoku Oil	2,000	12	135	108	166	Nippon Sheet Glass	2,500	20	187	161	161
Dowa Mining	2,500	20	155	123	127	Nihon Cement.....	5,000	18	125	110	106
Foodstuffs											
Nippon Suisan	3,500	15	102	91	91	Iwaki Cement.....	1,000	36	320	268	290
Nippon Flour Mills	1,440	17	85	80	82	Onoda Cement	8,000	16	87	78	76
Nissin Flour Milling	1,000	16	123	119	121	Nippon Toki	520	23	263	212	235
Dainippon Sugar Mfg.	720	25	154	144	142	Nippon Gaishi.....	500	23	294	252	287
Taito.....	300	45	340	302	317	Metal Industries					
Meiji Sugar Mfg.	500	30	155	144	142	Yawata Iron & Steel.....	15,000	12	67	62	65
Toyo Sugar.....	368	30	220	169	229	Fuji Iron & Steel	13,000	12	62	57	59
Japan Beet Sugar Mfg.	675	20	147	125	135	Kawasaki Steel	9,613	5	60	59	52
Morinaga Confectionery	750	20	175	154	159	Nippon Kokan.....	15,000	13	70	62	64
Meiji Confectionery	840	20	140	126	130	Sumitomo Metal Ind.	10,000	12	61	56	57
Nippon Breweries	1,825	18	156	142	145	Kobe Steel	7,968	12	52	49	52
Asahi Breweries.....	1,825	18	171	155	159	Tokyo Rope	485	30	210	187	183
Kirin Brewery.....	2,768	20	172	160	161	Japan Light Metal.....	2,995	15	177	156	155
Takara Shuzo.....	3,927	20	70	65	68	Toyo Seikan	(A) 800	20	1,160	1,040	1,130
Japan Distilling	1,155	25	51	50	50	Machinery					
Honen Oil Mills	1,000	17	144	128	131	Ebara Mfg.	600	25	227	198	204
Nissin Oil Mills	750	20	115	103	99	Nippon Seiko	800	15	155	135	138
Noda Soy Sauce.....	800	25	253	230	234	Toyo Bearing.....	600	20	161	140	140
Ajinomoto.....	2,298	25	244	221	229	Koyo Seiko.....	700	15	92	80	78
Nippon Cold Storage	2,000	16	100	92	93	Electric Machinery					
Textiles											
Toyo Spinning	6,450	24	217	189	188	Hitachi Ltd.	15,000	15	108	97	106
Kanegafuchi Spinning	3,738	18	136	120	117	Tokyo Shibaura Electric	15,000	15	80	70	82
Dai Nippon Spinning	5,250	18	124	114	112	Mitsubishi Electric	8,100	15	98	89	95
Fuji Spinning.....	3,000	18	111	100	98	Fuji Electric Mfg.....	3,600	15	112	101	108
Nissin Cotton Spinning.....	1,580	32	228	209	207	Furukawa Electric	6,000	12	72	66	68
Kurashiki Spinning	2,600	25	133	112	110	Nippon Electric	4,000	15	127	96	127
Nitto Spinning	1,700	15	83	75	73	Transportation Equipment					
Ohmi Kenshi Spinning.....	2,000	10	54	42	50	Mitsubishi Shipbuilding & Engineering.....	5,600	12	102	86	87
Japan Wool Textile.....	2,560	20	150	131	131	Mitsubishi Nippon Heavy Ind..	3,000	12	96	79	81
Daito Woollen Spinning.....	1,500	18	94	82	82	Mitsui Shipbuilding & Engineering.....	2,240	15	133	112	120
Chuo Textile	500	10	50	46	45	Mitsubishi Heavy Ind. Reorg..	11,200	12	80	69	71
Teikoku Rayon	4,800	20	129	108	107	Ishikawajima Heavy Ind.....	2,600	12	75	67	67
Toyo Rayon	6,000	20	259	235	236	Nissan Motor.....	4,200	15	129	108	108
Toho Rayon	1,500	20	97	84	85	Isuzu Motor.....	3,000	16	111	100	100
Mitsubishi Rayon	2,250	16	109	99	97	Toyota Motor.....	6,688	25	183	157	164
Kurashiki Rayon	3,000	15	158	145	138	Precision Machinery					
Asahi Chemical	(B) 3,675	22	388	350	349	Nippon Kogaku	465	15	157	129	133
Paper & Pulp											
Kokoku Pulp.....	3,000	12	52	50	50	Canon Camera.....	800	25	273	209	208
Sanyo Pulp.....	2,610	18	95	87	86	Other Manufacturing Industries					
Nippon Pulp Ind.	1,600	20	119	108	104	Toppan Printing.....	500	18	134	118	120
Kokusaku Pulp	1,680	18	90	82	80	Nippon Musical Instrument....	450	20	213	185	193
Tohoku Pulp	2,028	18	94	85	84	Trading Companies					
Oji Paper.....	1,600	25	259	242	245	Mitsui Bussan.....	1,868	16	125	107	111
Honshu Paper.....	2,000	8	96	83	85	Mitsubishi Shoji	5,000	14	86	79	81
Jufo Paper	1,120	30	299	277	285	Mitsukoshi	2,430	18	237	207	205
Mitsubishi Paper Mills	1,080	15	90	83	80	Real Estate					
Hokuetsu Paper Mills	900	10	58	52	55	Mitsui Real Estate	420	15	378	328	349
Chemical Industries											
Toyo Katsui Ind.	3,600	15	155	137	139	Mitsubishi Estate	2,064	18	237	210	218
Nitto Chem. Ind.	2,525	8	113	106	107	Heiwa Real Estate.....	1,323	12	255	217	227
Showa Denko.....	4,500	15	155	137	137	Transportation & Shipping					
Sumitomo Chemical	4,000	15	155	140	144	Tobu Railways	1,600	13	120	114	116
Shin Nippon Chisso Hiryo....	2,400	12	77	65	65	Tokyo El. Express Railway ..	3,000	13	105	99	98
Nissan Chemical Ind.	2,080	5	71	61	63	Nippon Express	(B) 10,800	16	163	150	157
Nippon Soda	1,508	12	73	58	59	Nippon Yusen.....	11,400	—	46	37	39
Toyo Soda	1,200	15	68	59	61	Osaka Shosen.....	7,600	—	39	31	34
Toa Gosei Chemical Ind.....	2,400	15	109	92	95	Nitto Steamship	6,000	8	53	41	44
Electro-Chemical Ind.	2,244	15	126	109	109	Mitsui Steamship	5,500	—	50	40	41
Shin-etsu Chemical Ind.	980	15	97	83	87	Iino Kaiun.....	13,200	10	50	40	43
Mitsui Chemical Ind.	1,630	15	151	136	137	Mitsubishi Shipping	4,800	8	57	43	48
Kyowa Fermentation.....	1,441	10	140	101	126	Warehouse & Entertainment					
Dainippon Celluloid	2,000	15	69	65	68	Mitsubishi Warehouse	630	12	115	99	107
Nippon Chemical Ind.	800	18	98	88	93	Shochiku Motion Picture	1,848	15	107	103	107
Sankyo	780	20	176	155	161	Nikkatsu	3,287	—	42	36	42
Kansai Paint.....	600	20	116	105	106						
Fuji Photo Film	2,500	18	135	114	113						
Konishiroku Photo Ind.	1,800	10	57	48	51						

Notes: (A) 500 yen shares. (B) 100 yen shares, others 50 yen. □ ex-new.

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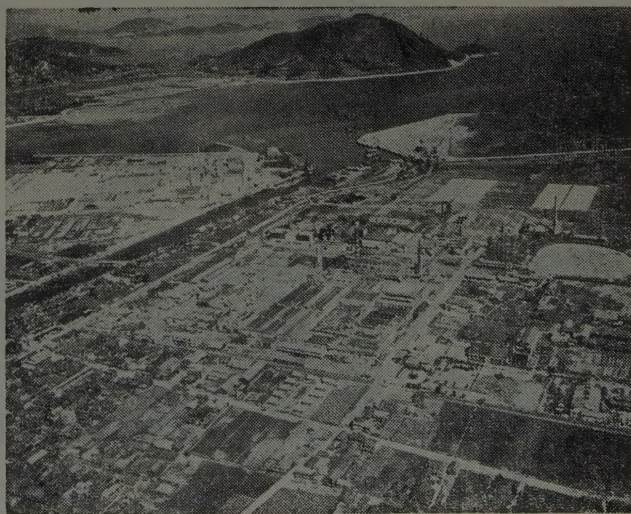
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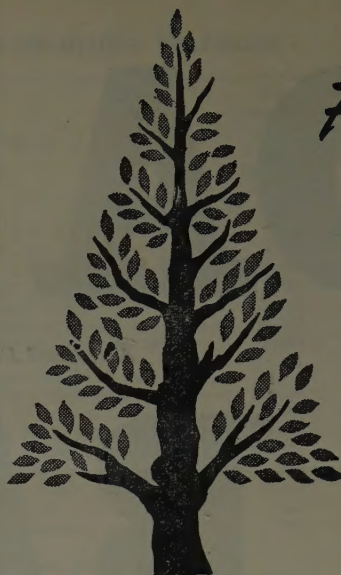
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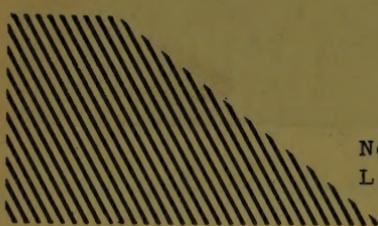
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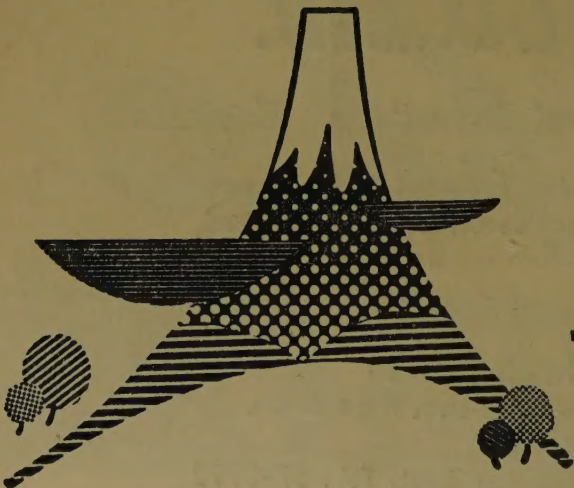
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